

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2015**

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

Blackstone

The Blackstone Group L.P.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-8875684
(I.R.S. Employer
Identification No.)

345 Park Avenue
New York, New York 10154
(Address of principal executive offices)(Zip Code)
(212) 583-5000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Name of each exchange on which registered</u>
Common units representing limited partner interests	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein and will not be contained, to the best of the Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☐

(do not check if a smaller reporting company)

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

The aggregate market value of the common units of the Registrant held by non-affiliates as of June 30, 2015 was approximately \$24.8 billion, which includes non-voting common units with a value of approximately \$2.4 billion.

The number of the Registrant's voting common units representing limited partner interests outstanding as of February 19, 2016 was 565,216,681. The number of the Registrant's non-voting common units representing limited partner interests outstanding as of February 19, 2016 was 59,083,468.

DOCUMENTS INCORPORATED BY REFERENCE
None

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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,” “indicator,” “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 this report, as such factors may be updated from time to time in our periodic filings with the United States Securities and Exchange Commission (“SEC”), which are accessible on the SEC’s website at www.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 our other periodic filings. The forward-looking statements speak only as of the date of this report, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Website and Social Media Disclosure

We use our website (www.blackstone.com), Facebook page (www.facebook.com/blackstone), Twitter (www.twitter.com/blackstone), LinkedIn (www.linkedin.com/company/the-blackstone-group), Instagram ([instagram.com/Blackstone](https://www.instagram.com/Blackstone)) and YouTube (www.youtube.com/user/blackstonegroup) accounts as channels of distribution of company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive e-mail alerts and other information about Blackstone when you enroll your e-mail address by visiting the “Contact Us/Email Alerts” section of our website at <http://ir.blackstone.com>. The contents of our website, any alerts and social media channels are not, however, a part of this report.

In this report, references to “Blackstone,” the “Partnership,” “we,” “us” or “our” refer to The Blackstone Group L.P. and its consolidated subsidiaries. Unless the context otherwise requires, references in this report to the ownership of Mr. Stephen A. Schwarzman, our founder, and other Blackstone personnel include the ownership of personal planning vehicles and family members of these individuals.

“Blackstone Funds,” “our funds” and “our investment funds” refer to the private equity funds, real estate funds, funds of hedge funds, credit-focused funds, collateralized loan obligation (“CLO”) and collateralized debt obligation (“CDO”) vehicles, real estate investment trusts and registered investment companies that are managed by Blackstone. “Our carry funds” refers to the private equity funds, real estate funds and certain of the credit-focused funds (with multi-year drawdown, commitment-based structures that only pay carry on the realization of an investment) that are managed by Blackstone. Blackstone’s Private Equity segment comprises its management of corporate private equity funds (including our sector and regional focused funds), which we refer to collectively as our Blackstone Capital Partners (“BCP”) funds, our opportunistic investment platform that invests globally across asset classes, industries and geographies, which we collectively refer to as Blackstone Tactical Opportunities (“Tactical Opportunities”), and Strategic Partners Fund Solutions (“Strategic Partners”), a secondary private fund of funds business. We refer to our real estate opportunistic funds as our Blackstone Real Estate Partners (“BREP”) funds and our real estate debt investment funds as our Blackstone Real Estate Debt Strategies (“BREDS”) funds. We refer to our core+ real estate funds, which target substantially stabilized assets generating relatively stable cash flow, as Blackstone Property Partners (“BPP”) funds. We refer to our listed real estate investment trusts as “REITs.” “Our hedge funds” refers to our funds of hedge funds, certain of our real estate debt investment funds, including a registered investment company, and certain other credit-focused funds which are managed by Blackstone.

“Assets Under Management” refers to the assets we manage. Our Assets Under Management equals the sum of:

- (a) the fair value of the investments held by our carry funds and our side-by-side and co-investment entities managed by us, plus the capital that we are entitled to call from investors in those funds and entities pursuant to the terms of their respective capital commitments, including capital commitments to funds that have yet to commence their investment periods,
- (b) the net asset value of our funds of hedge funds, hedge funds and certain registered investment companies,
- (c) the invested capital or fair value of assets we manage pursuant to separately managed accounts,
- (d) the amount of debt and equity outstanding for our CLOs and CDOs during the reinvestment period,
- (e) the aggregate par amount of collateral assets, including principal cash, for our CLOs and CDOs after the reinvestment period,
- (f) the gross amount of assets (including leverage) for certain of our credit-focused registered investment companies, and
- (g) the fair value of common stock, preferred stock, convertible debt, or similar instruments issued by our public REIT.

Our carry funds are commitment-based drawdown structured funds that do not permit investors to redeem their interests at their election. Our funds of hedge funds and hedge funds generally have structures that afford an investor the right to withdraw or redeem their interests on a periodic basis (for example, annually or quarterly), with the majority of our funds requiring from 60 days to 95 days’ notice, depending on the fund and the liquidity profile of the underlying assets. Investment advisory agreements related to separately managed accounts may generally be terminated by an investor on 30 to 90 days’ notice.

“Fee-Earning Assets Under Management” refers to the assets we manage on which we derive management and/or performance fees. Our Fee-Earning Assets Under Management equals the sum of:

- (a) for our Private Equity segment funds and Real Estate segment carry funds including certain real estate debt investment funds and certain of our Hedge Fund Solutions funds, the amount of capital commitments, remaining invested capital, fair value or par value of assets held, depending on the fee terms of the fund,
- (b) for our credit-focused carry funds, the amount of remaining invested capital (which may include leverage) or net asset value, depending on the fee terms of the fund,
- (c) the remaining invested capital of co-investments managed by us on which we receive fees,
- (d) the net asset value of our funds of hedge funds, hedge funds and certain registered investment companies,
- (e) the invested capital or fair value of assets we manage pursuant to separately managed accounts,
- (f) the net proceeds received from equity offerings and accumulated core earnings of our REITs, subject to certain adjustments,
- (g) the aggregate par amount of collateral assets, including principal cash, of our CLOs and CDOs, and
- (h) the gross amount of assets (including leverage) for certain of our credit-focused registered investment companies.

Our calculations of assets under management and fee-earning 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. In addition, our calculation of assets under management includes commitments to, and the fair value of, invested capital in our funds from Blackstone and our personnel, regardless of whether such commitments or invested capital are subject to fees. Our definitions of assets under management or fee-earning assets under management are not based on any definition of assets under management or fee-earning assets under management that is set forth in the agreements governing the investment funds that we manage.

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For our carry funds, total assets under management includes the fair value of the investments held, whereas fee-earning assets under management includes the amount of capital commitments, the remaining amount of invested capital at cost depending on whether the investment period has or has not expired or the fee terms of the fund. As such, fee-earning assets under management may be greater than total assets under management when the aggregate fair value of the remaining investments is less than the cost of those investments.

This report does not constitute an offer of any Blackstone Fund.

PART I.

ITEM 1. BUSINESS

Overview

Blackstone is a leading global alternative asset manager, with Total Assets Under Management of \$336.4 billion as of December 31, 2015. As stewards of public funds, we look to drive outstanding results for our investors and clients by deploying capital and ideas to help businesses succeed and grow. Our alternative asset management businesses include investment vehicles focused on private equity, real estate, hedge fund solutions, non-investment grade credit, secondary funds and other multi-asset class strategies. We historically also provided a wide range of financial advisory services, including financial and strategic advisory, restructuring and reorganization advisory, capital markets and fund placement services. In October 2015, however, we completed the previously-announced spin-off of these businesses, other than our capital markets services business, which was retained.

All of Blackstone's businesses use a solutions oriented approach to drive better performance. We believe our scaled, diversified businesses, coupled with our long track record of investment performance, proven investment approach and strong client relationships, position us to continue to perform well in a variety of market conditions, expand our assets under management and add complementary businesses.

Two of our primary limited partner constituencies are public pension and corporate funds. As a result, to the extent our funds perform well, it supports a better retirement for millions of pensioners.

In addition, because we are a global firm with a footprint on nearly every continent, our investments can make a difference around the world. We are committed to making our family of companies stronger in ways that can have transformative impacts on local economies.

As of December 31, 2015, we had 104 senior managing directors and employed approximately 790 other investment professionals at our headquarters in New York and in 20 other cities around the world. We believe hiring, training and retaining talented individuals coupled with our rigorous investment process has supported our excellent investment record over many years. This record in turn has allowed us to successfully and repeatedly raise additional assets from an increasingly wide variety of sophisticated investors.

2015 Highlights

Strong Realization Activity

- Sustained strong exit activity despite a volatile market backdrop and slowing public sales, with total realizations of \$43 billion, down slightly from a firm record of \$45 billion in 2014.
- Active participation in equity and debt capital markets, including over 30 public equity transactions raising an aggregate of over \$15 billion in proceeds, and a number of portfolio company refinancings. Equity capital markets activity included the successful initial public offerings of Summit Materials, Scout24, Performance Food Group, Intertrust and SH Kelkar.

Record Global Investment Pace

- Our funds, including co-investments, invested a record \$32 billion of capital.
- Global scale and size allow Blackstone to identify relative value and deploy capital in the most attractive opportunities. Our real estate business leveraged its singular platform to consummate hallmark deals in 2015, including the acquisition of the majority of GE Capital's real estate business, the acquisition of Stuyvesant Town, Manhattan's largest apartment complex, and four take-privates of public real estate companies.

Strong Growth in Assets Under Management Despite Record Realization Pace

- Each of our investing businesses saw positive growth in Assets Under Management in 2015, despite significant levels of realizations, primarily due to continued strong inflows through product and channel diversification.
- Gross organic capital inflows across our businesses reached \$94 billion for 2015, of which \$13 billion was through the retail channel (which includes funds raised through intermediary firms that focus their offerings primarily on private clients and flows into products whose target audience is private clients, such as mutual funds, separately managed accounts and business development companies). We believe \$94 billion of gross organic capital inflows is a record fiscal year for any alternative asset management firm.
- Our seventh flagship private equity fund closed with third party commitments of \$17.5 billion.
- Our eighth global real estate fund closed with third party commitments of \$16 billion.
- Our new core+ real estate platform raised nearly \$7 billion in its second year to reach \$11 billion in Assets Under Management.
- Hedge Fund Solutions had external gross inflows of \$11 billion, including additional inflows into Blackstone Alternative Asset Management's ("BAAM") registered product platform, which is now \$7 billion in size.
- Senfina, BAAM's multi-strategy trading platform, grew rapidly to \$2 billion in Assets Under Management across eight portfolio managers.
- Strategic Partners began raising its latest secondary fund of funds.
- Tactical Opportunities continued fundraising for its platform of separately managed accounts, raising over \$7 billion in 2015.
- Credit continued to diversify the platform and launch new products, driving \$23 billion in gross inflows during 2015.

Completion of the Spin-Off of Our Advisory Business

- In October, we completed the previously-announced spin-off of the operations that have historically constituted our Financial Advisory segment, other than our capital markets services business, a transaction that creates new growth opportunities for our investing business. The financial and strategic advisory services, restructuring and reorganization advisory services and Park Hill Group businesses were spun-off from Blackstone and combined with PJT Capital LP, an independent financial advisory firm founded by Paul J. Taubman, to form an independent, publicly traded company called PJT Partners Inc.

Industry-Leading Credit Rating and Strong Balance Sheet

- Strong balance sheet with no net debt, \$4.2 billion in total cash, corporate treasury and liquid investments, and a \$1.1 billion undrawn revolver.
- S&P and Fitch have both affirmed Blackstone's A+ / A+ credit ratings, making Blackstone the highest rated alternative asset manager and one of the highest rated global financial services firms.
- Raised \$678 million of debt capital in 2015, including the successful execution of our first euro bond sale in a highly oversubscribed offering of €300 million of 2.0% notes due 2025 and of an offering of \$350 million of 4.45% notes due 2045.

Positively Impacting Communities

- The Blackstone Charitable Foundation believes that entrepreneurship plays a crucial role in economic growth. The Foundation works with local partners in targeted regions worldwide to create or grow

non-profit programs that support the networks and resources that entrepreneurs need to succeed. The Foundation has committed \$40 million to this “Entrepreneurship Initiative” since the program’s inception in 2010. In 2015, the Foundation expanded one of its signature programs “Blackstone LaunchPad,” to three universities in Ireland and five universities in New York state.

- In support of The White House’s “Joining Forces” initiative, Blackstone launched its Veterans Hiring Initiative, committing to hire 50,000 veterans across our portfolio of companies over a five-year period. More than 33,000 veterans have been hired since the Veterans Hiring Initiative was announced in April 2013. In 2015, we partnered with KKR, Carlyle and TPG to expand our annual summit to include representatives from across the industry, with U.S. First Lady Michelle Obama delivering keynote remarks and 150 hiring executives from the firms’ collective portfolio in attendance.

Business Segments

Our four business segments are: (a) Private Equity, (b) Real Estate, (c) Hedge Fund Solutions and (d) Credit.

Information about our business segments should be read together with “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the historical financial statements and related notes included elsewhere in this Form 10-K. As a result of the spin-off of our Financial Advisory business in October 2015, which did not include our capital markets services business, the results of our capital markets services business were reclassified from our prior Financial Advisory segment to the Private Equity segment. All prior periods in this report have been recast to reflect this reclassification.

Private Equity

Our Private Equity segment, established in 1987, is a global business with approximately 230 investment professionals managing \$94.3 billion of Total Assets Under Management as of December 31, 2015. We are focused on identifying, managing and creating lasting value for our investors. Our Private Equity segment includes our (a) corporate private equity funds, (b) Tactical Opportunities, our opportunistic investment platform that invests globally across asset classes, industries and geographies, (c) Strategic Partners, our secondary private fund of funds business, (d) Blackstone Total Alternatives Solution (“BTAS”), a new multi-asset investment program for eligible high net worth investors offering exposure to certain of Blackstone’s key illiquid investment strategies through a single commitment and (e) our capital markets services business. We have raised seven general private equity funds as well as three specialized corporate private equity funds focusing on energy and communications-related investments. We are currently investing from our sixth general private equity fund, Blackstone Capital Partners VI (“BCP VI”) and our second energy fund, Blackstone Energy Partners II (“BEP II”).

Our corporate private equity business pursues transactions throughout the world across a variety of transaction types, including large buyouts, mid-cap buyouts, buy and build platforms (which involve multiple acquisitions behind a single management team and platform) and growth equity/development projects (which involve significant minority investments in mature companies and greenfield development projects in energy and power). Our private equity business’s investment strategies and core themes continually evolve, in anticipation of, or in response to changes in the global economy, local markets, regulation, capital flows and geopolitical trends. We seek to construct a differentiated portfolio of investments with a well-defined, interventionist, post-acquisition value creation strategy. Similarly, we seek investments that can generate strong unlevered returns regardless of entry or exit cycle timing. Finally, when we can identify sectors or geographies in which the demand for capital greatly exceeds the readily available supply, our private equity business seeks to make investments at or near book value where it can create goodwill or franchise value through post-acquisition actions.

Tactical Opportunities, our opportunistic investment platform, invests globally across asset classes, industries and geographies. Tactical Opportunities’ mandate allows for flexible investing where it seeks to capitalize on

time-sensitive, complex or dislocated market situations in areas where it sees mispriced risks. The Tactical Opportunities team leverages intellectual capital from across all of our businesses to inform our investment diligence and execution. A flexible investment mandate allows Tactical Opportunities to structure a broad range of investments, including private and public securities and instruments, where the underlying exposure may be to equity, debt and/or real assets, and to construct a diversified portfolio of investments that provides differentiated exposures relative to traditional alternative asset managers.

Strategic Partners, our secondary private fund of funds business was established in 2000. Strategic Partners is focused on delivering access to a range of opportunities, leveraging its proprietary database to acquire single fund interests or complex portfolios in an efficient and timely manner.

For more information concerning the revenues and fees we derive from our Private Equity segment, see “— Incentive Arrangements / Fee Structure” in this Item 1.

Real Estate

Since our start in 1991, we have become a world leader in real estate investing with approximately 265 investment professionals and \$93.9 billion of Total Assets Under Management as of December 31, 2015. We have managed or continue to manage a number of global, European and Asian focused opportunistic real estate funds, several real estate debt investment vehicles, a NYSE publicly traded real estate investment trust (“BXMT”) and several core+ real estate funds. We refer to our opportunistic real estate funds as our Blackstone Real Estate Partners (“BREP”) funds, our real estate debt investment vehicles as our Blackstone Real Estate Debt Strategies (“BREDS”) funds and our core+ real estate funds as our Blackstone Property Partners (“BPP”) funds.

Our BREP funds are geographically diversified and target a broad range of “opportunistic” real estate and real estate related investments that are generally undermanaged assets with higher potential for equity appreciation. BREP has made significant investments in lodging, office buildings, shopping centers, residential and a variety of real estate operating companies.

Our BREDS’ vehicles target real estate debt related investment opportunities in the public and private markets, primarily in the United States and Europe.

Our BPP funds are geographically diversified and target substantially stabilized assets generating relatively stable cash flow with a focus on office, multifamily, industrial and retail assets in gateway markets.

Our Real Estate segment’s investing approach is guided by several core investment principles, including global scope, a significant number of exclusive opportunities, financing expertise, operations oversight and a strong focus on value creation. For more information concerning the revenues and fees we derive from our Real Estate segment, see “— Incentive Arrangements / Fee Structure” in this Item 1.

Hedge Fund Solutions

Our Hedge Fund Solutions group is comprised primarily of Blackstone Alternative Asset Management (“BAAM”). BAAM is the world’s largest discretionary allocator to hedge funds, managing a broad range of commingled and customized hedge fund of fund solutions since its inception in 1990. The Hedge Fund Solution segment also includes investment platforms that seed new hedge fund talent, purchase ownership interests in more established hedge funds, invest in special situation opportunities, create alternative solutions in regulated structures and trade long and short public equities. Working with our clients over the past 26 years, our Hedge Fund Solutions group has developed into a leading manager of institutional hedge fund of funds with approximately 165 investment professionals managing \$69.1 billion of Total Assets Under Management as of December 31, 2015. Hedge Fund Solutions’ overall investment philosophy is to protect and grow investors’ assets through both commingled and

custom-tailored investment strategies designed to deliver compelling risk-adjusted returns and mitigate risk. Diversification, risk management, due diligence and a focus on downside protection are key tenets of our approach. For more information concerning the revenues and fees we derive from our Hedge Fund Solutions segment, see “— Incentive Arrangements / Fee Structure” in this Item 1.

Credit

Our credit business, consisting principally of GSO Capital Partners LP (“GSO”), with \$79.1 billion of Total Assets Under Management as of December 31, 2015 and approximately 160 investment professionals, is a leading participant in the leveraged finance markets. The funds we manage or sub-advise include senior credit-focused funds, distressed debt funds, mezzanine funds and general credit-focused funds concentrated in the leveraged finance marketplace. GSO also manages separately managed accounts and registered investment companies including business development companies. These vehicles have investment portfolios consisting of loans and securities spread across the capital structure, including senior debt, subordinated debt, preferred stock and common equity. GSO may utilize leverage in connection with certain of the investments made by the credit-focused funds, separately managed accounts or registered investment companies. GSO manages 51 separate CLOs as of December 31, 2015, focused primarily on senior secured debt issued by a diverse universe of non-investment grade companies.

Financial and Other Information by Segment

Financial and other information by segment for the years ended December 31, 2015, 2014 and 2013 is set forth in Note 21. “Segment Reporting” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data” of this filing.

Pátria Investments

On October 1, 2010, we purchased a 40% equity interest in Pátria Investments Limited and Pátria Investimentos Ltda. (collectively, “Pátria”). Pátria is a leading Brazilian alternative asset manager that was founded in 1988. As of December 31, 2015, Pátria’s alternative asset management businesses managed \$8.6 billion in assets and include the management of private equity funds (\$3.9 billion), real estate funds (\$1.1 billion), infrastructure funds (\$3.3 billion) and new initiatives (\$310 million). Pátria has approximately 230 employees and is led by a group of three managing partners. Our investment in Pátria is a minority, non-controlling investment, which we record using the equity method of accounting. We have representatives on Pátria’s board of directors in proportion to our ownership, but we do not control the day-to-day management of the firm or the investment decisions of their funds, all of which continues to reside with the local Brazilian partners.

Investment Process and Risk Management

We maintain a rigorous investment process across all of our funds, accounts and other investment vehicles. Each fund, account or other vehicle has investment policies and procedures that generally contain requirements and limitations for investments, such as limitations relating to the amount that will be invested in any one investment and the types of industries or geographic regions in which the fund, account or other vehicle will invest, as well as limitations required by law. In addition, the chief investment officers of our businesses play a central role in the evaluation of investment opportunities, including by serving as members of their respective investment committees.

Our business’ investment committees review and evaluate investment opportunities in a framework that includes a qualitative and quantitative assessment of the key risks of each investment. For example, considerations that the investment committees of our private equity funds take into account when evaluating an investment include the quality of a business in which the fund proposes to invest and the quality of the management team of such business, expected levered and unlevered returns of the investment in a variety of investment scenarios, the ability of the company in which the investment is made to service debt in a range of economic and interest rate

environments, environmental, social and governance, or ESG, issues and macroeconomic trends in the relevant geographic region. In addition, considerations that the investment committees of our real estate funds take into account when evaluating an investment include current and anticipated market fundamentals (including, for example, supply and demand fundamentals) and macroeconomic trends in the relevant geographic region, the quality of the asset in which the fund proposes to invest, the appropriateness of existing or planned leverage levels of the business or asset and our ability to successfully implement operational plans and improvements and exit the investment at an expected rate of return.

Private Equity Funds

Our Private Equity investment professionals are responsible for selecting, evaluating, structuring, diligencing, negotiating, executing, managing and exiting investments, as well as pursuing operational improvements and value creation. After an initial selection, evaluation and diligence process, the relevant team of investment professionals (i.e., the deal team) submits a proposed transaction for review by the review committee of our private equity funds. Review committee meetings are led by an executive committee of several senior managing directors of our Private Equity segment. Following assimilation of the review committee's input and its decision to proceed with a proposed transaction, the proposed investment is vetted by the investment committee. The investment committee of our private equity funds is composed of Stephen A. Schwarzman, Hamilton E. James and selected senior managing directors of our Private Equity segment as appropriate based on the location and sector of the proposed transaction. The investment committee is responsible for approving all investment decisions made on behalf of our private equity funds. Both the review committee and the investment committee processes involve a consensus approach to decision making among committee members.

Our Tactical Opportunities business has a substantially similar process to the Private Equity process described above, with the exception of the composition of the review and investment committees. The Tactical Opportunities review committee is comprised of the senior managing directors and managing directors of the Tactical Opportunities business and a senior managing director of our Private Equity business, and the investment committee is comprised of Mr. Schwarzman, Mr. James, the business heads of Blackstone's Private Equity, Real Estate and Credit businesses, and certain other senior managing directors.

The investment professionals of our private equity funds are responsible for monitoring an investment once it is made and for making recommendations with respect to exiting an investment. In addition to members of a deal team and our portfolio operations group, which is responsible for monitoring and assisting in enhancing portfolio companies' operations and value, all professionals in the Private Equity segment meet several times each year to review the performance of the funds' portfolio companies.

Our Strategic Partners secondary private equity investment professionals seek capital appreciation through the purchase of secondary interests in mature, high-quality private equity funds from investors seeking liquidity. After rigorous, highly analytical investment and operational due diligence, the Strategic Partners' investment professionals will present a proposed transaction to the group's Investment Committee. The Strategic Partners Investment Committee is made up of senior members of the Strategic Partners team, including all of the group's Senior Managing Directors. The Investment Committee meets on an ad hoc basis as needed to review transactions. After reviewing the investment team's Investment Committee Memorandum and discussing the contemplated transaction with the deal team, the Investment Committee decides whether to approve or deny the investment. The investment professionals on the Strategic Partners team are responsible for monitoring each investment once it is made. In addition to members of the investment team, and given the large number of underlying investments, the Strategic Partners Finance team will also track investment valuations pursuant to the group's valuation policies and procedures.

Real Estate Funds

Our Real Estate investment professionals are responsible for selecting, evaluating, structuring, diligencing, negotiating, executing, managing, monitoring and exiting investments, as well as pursuing operational

improvements and value creation. Our real estate operation has an investment committee similar to that described under “— Private Equity Funds.” After an initial selection, evaluation and diligence process, the relevant team of investment professionals (i.e., the deal team) will present a proposed transaction at a weekly meeting of the investment committee. The real estate investment committee, which includes Mr. Schwarzman, Mr. James and the senior managing directors in the Real Estate segment, scrutinizes potential transactions, provides guidance and instructions at the appropriate stage of each transaction and approves the making and disposition of each BREP and BPP fund investment. The committee also approves significant illiquid investments by the BREDS funds. Additionally, BXMT has an investment risk management committee comprised solely of independent directors, which is responsible for approving certain significant BXMT investments. In addition to members of a deal team and our asset management group responsible for monitoring and assisting in enhancing portfolio companies’ operations and value, senior professionals in the Real Estate segment meet several times each year to review the performance of the funds’ portfolio companies and other investments.

Hedge Fund Solutions

Before deciding to invest in a new hedge fund or with a new hedge fund manager, our Hedge Fund Solutions team conducts extensive due diligence, including an on-site “front office” review of the fund’s/manager’s performance, investment terms, investment strategy and investment personnel, a “back office” review of the fund’s/manager’s operations, processes, risk management and internal controls, industry reference checks and a legal review of the investment structures and legal documents. Once initial due diligence procedures are completed and the investment and other professionals are satisfied with the results of the review, the team will present the potential investment to the relevant Hedge Fund Solutions Investment Committee. The Investment Committees are comprised of relevant senior managing directors and senior investment personnel. The Hedge Fund Solutions’ Executive Committee reviews and approves all investment allocations where there is limited capacity or there are other unusual circumstances for compliance with the relevant allocation procedures. Existing investments are reviewed and monitored on a regular and continuous basis, and J. Tomilson Hill, CEO of Hedge Fund Solutions and Vice Chairman of Blackstone, and other senior members of our Hedge Fund Solutions team, generally meet bi-weekly with Mr. Schwarzman and Mr. James for a high-level review of the group’s business and affairs.

Credit

Each of our credit-focused funds has an investment committee similar to that described under “— Private Equity Funds.” The investment committees for the credit-focused funds, which typically include Bennett J. Goodman and J. Albert Smith III and senior members of the respective investment teams associated with each credit-focused fund, review potential transactions, provide input regarding the scope of due diligence and approve recommended investments and dispositions. These investment committees have delegated certain abilities to approve investments and dispositions to credit committees within each operation which consist of the senior members of the respective investment teams associated with each fund. In addition, senior members of GSO, including Mr. Goodman and Mr. Smith III, meet regularly with Mr. Schwarzman and Mr. James to discuss investment and risk management activities and market conditions.

The investment decisions for the customized credit long-only clients and other clients whose portfolios are actively traded are made by separate investment committees, each of which is composed of certain of the group’s respective senior managing directors, managing directors and other investment professionals. With limited exceptions where the portfolio managers wish to capitalize on time sensitive market opportunities, the investment committee approves all assets that are held by the applicable client. The investment team is staffed by professionals within research, portfolio management, trading and capital formation to ensure active management of the portfolios. Investment decisions (including the approval of the asset for the initial purchase) follow a consensus-based approach. Industry-focused research analysts provide the committee with a formal and comprehensive review of any new investment recommendation, while our portfolio managers and trading professionals provide opinions on other technical aspects of the recommendation as well as the risks associated with the overall portfolio composition.

Investments are subject to predetermined periodic reviews to assess their continued fit within the funds. Our research team monitors the operating performance of the underlying issuers, while portfolio managers, in concert with our traders, focus on optimizing asset composition to maximize value for our investors.

Structure and Operation of Our Investment Vehicles

We conduct the sponsorship and management of our carry funds and other similar vehicles primarily through a partnership structure in which limited partnerships organized by us accept commitments and/or funds for investment from institutional investors and (to a limited extent) high-net worth individuals. Such commitments are generally drawn down from investors on an as-needed basis to fund investments over a specified term. All of our private equity and private real estate funds are commitment structured funds, except certain core+ and real estate debt funds, which are structured like hedge funds where all (or a portion) of the committed capital is funded on or promptly after the investor's subscription date and cash proceeds resulting from the disposition of investments can be reused indefinitely for further investment, subject to certain investor withdrawal rights. Our Real Estate business also includes a NYSE-listed real estate investment trust, or "REIT," and a registered open-ended investment company complex, each of which is externally managed by a BREDS-owned adviser. Our credit-focused funds are generally commitment structured funds or open-ended where the investor's capital is fully funded into the fund upon or soon after the subscription for interests in the fund. Ten credit-focused vehicles that we manage or sub-advise in whole or in part are registered investment companies (including business development companies). The CLO vehicles we manage are structured investment vehicles that are generally private companies with limited liability. Most of our funds of hedge funds as well as our hedge funds are structured as funds where the investor's capital is fully funded into the fund upon the subscription for interests in the fund. Our private investment funds are generally organized as limited partnerships with respect to U.S. domiciled vehicles and limited liability (and other similar) companies with respect to non-U.S. domiciled vehicles. In the case of our separately managed accounts, the investor, rather than us, generally controls the investment vehicle that holds or has custody of the investments we advise the vehicle to make.

Our investment funds, separately managed accounts and other vehicles are generally advised by a Blackstone entity serving as investment adviser that is registered under the U.S. Investment Advisers Act of 1940, or "Advisers Act." Substantially all of the day-to-day operations of each investment vehicle are typically carried out by the Blackstone entity serving as investment adviser pursuant to an investment advisory (or similar) agreement. Generally, the material terms of our investment advisory agreements relate to the scope of services to be rendered by the investment adviser to the applicable vehicle, the calculation of management fees to be borne by investors in our investment vehicles, the calculation of and the manner and extent to which other fees received by the investment adviser from funds or fund portfolio companies serve to offset or reduce the management fees payable by investors in our investment vehicles and certain rights of termination with respect to our investment advisory agreements. With the exception of the registered funds described below, the investment vehicles themselves do not generally register as investment companies under the U.S. Investment Company Act of 1940, or "1940 Act," in reliance on the statutory exemptions provided by Section 3(c)(7) or Section 7(d) thereof or, typically in the case of vehicles formed prior to 1997, Section 3(c)(1) thereof. Section 3(c)(7) of the 1940 Act exempts from its registration requirements investment vehicles privately placed in the United States whose securities are owned exclusively by persons who, at the time of acquisition of such securities, are "qualified purchasers" as defined under the 1940 Act. Section 3(c)(1) of the 1940 Act exempts from its registration requirements privately placed investment vehicles whose securities are beneficially owned by not more than 100 persons. In addition, under current interpretations of the United States Securities and Exchange Commission ("SEC"), Section 7(d) of the 1940 Act exempts from registration any non-U.S. investment vehicle all of whose outstanding securities are beneficially owned either by non-U.S. residents or by U.S. residents that are qualified purchasers. With respect to BXMT, which is externally managed by a BREDS-owned entity pursuant to a management agreement, it conducts its operations in a manner that allows it to maintain its REIT qualification and also avail itself of the statutory exemption provided by Section 3(c)(5)(C) of the 1940 Act for companies engaged primarily in investment in mortgages and other liens or investments in real estate.

In some cases, one or more of our investment advisers, including GSO, BAAM and BREDS advisers, advises or sub-advises funds registered under the 1940 Act.

In addition to having an investment adviser, each investment fund that is a limited partnership, or “partnership” fund, also has a general partner that makes all operational and investment decisions relating to the conduct of the investment fund’s business. Furthermore, all decisions concerning the making, monitoring and disposing of investments are made by the general partner. The limited partners of the partnership funds take no part in the conduct or control of the business of the investment funds, have no right or authority to act for or bind the investment funds and have no influence over the voting or disposition of the securities or other assets held by the investment funds. These decisions are made by the investment fund’s general partner in its sole discretion. With the exception of certain of our funds of hedge funds, hedge funds, certain credit-focused funds, and other funds or separately managed accounts for the benefit of one or more specified investors, third party investors in our funds have the right to remove the general partner of the fund or to accelerate the liquidation date of the investment fund without cause by a simple majority vote. In addition, the governing agreements of our investment funds provide that in the event certain “key persons” in our investment funds do not meet specified time commitments with regard to managing the fund, then investors in certain funds have the right to vote to terminate the investment period by a specified percentage (including, in certain cases, a simple majority) vote in accordance with specified procedures, accelerate the withdrawal of their capital on an investor-by-investor basis, or the fund’s investment period will automatically terminate and the vote of a simple majority of investors is required to restart it. In addition, the governing agreements of some of our investment funds provide that investors have the right to terminate, for any reason, the investment period by a vote of 75% of the investors in such fund.

Incentive Arrangements / Fee Structure

Management Fees

The following describes the management fees received by the Blackstone investment advisors.

- The investment adviser of each of our carry funds generally receives an annual management fee based upon a percentage of the fund’s capital commitments, invested capital and/or undeployed capital during the investment period and the fund’s invested capital or investment fair value after the investment period, except that the investment advisers to certain of our credit-focused carry funds and core + real estate funds receive an annual management fee that is based upon a percentage of invested capital or net asset value throughout the term of the fund. These management fees are payable on a regular basis (typically quarterly) in the contractually prescribed amounts over the life of the fund. Depending on the base upon which management fees are calculated, negative performance of one or more investments in the fund may reduce the total management fee paid, but not the fee rate.
- The investment adviser of each of our funds that are structured like hedge funds, or of our funds of hedge funds, registered mutual funds and separately managed accounts that invest in hedge funds, generally receives an annual management fee that is based upon a percentage of the fund’s or account’s net asset value. These management fees are also payable on a regular basis (typically quarterly). These funds often afford investors increased liquidity through annual, semi-annual or quarterly, or in the case of registered mutual funds, daily, withdrawal or redemption rights, in some cases following the expiration of a specified period of time when capital may not be withdrawn. The amount of management fees to which the investment adviser is entitled with respect thereto will proportionately increase as the net asset value of each investor’s capital account grows and will proportionately decrease as the net asset value of each investor’s capital account decreases.
- The investment adviser of each of our CLOs and CDOs typically receives annual management fees based upon a percentage of each fund’s total assets, subject to certain performance measures related to the underlying assets the vehicle owns, and additional management fees which are incentive-based (that is, subject to meeting certain return criteria). These management fees are also payable on a regular basis (typically quarterly). The term of each CLO and CDO varies from deal to deal and may be subject to early redemption or extension; typically, however, a CLO or CDO will be wound down within nine to eleven years of being launched. While the management fees tend to be approximately 0.5% per annum of each fund’s total assets for the term of the deal, the quantum of fees will decrease as the fund deleverages toward the end of its term.

- The investment adviser of our separately managed accounts typically receives annual management fees typically based upon a percentage of each account's net asset value or invested capital. The management fees we receive from our separately managed accounts are generally paid on a regular basis (typically quarterly) and may alternatively be based on invested capital or proportionately increase or decrease based on the net asset value of the separately managed account. The management fees we are paid for managing a separately managed account will generally be subject to contractual rights the investor has to terminate our management of an account on as short as 30 days' prior notice.
- The investment adviser of each of our credit-focused registered and non-registered investment companies typically receives annual management fees based upon a percentage of each company's net asset value or total managed assets. The management fees we receive from the registered investment companies we manage are generally paid on a regular basis (typically quarterly) and proportionately increase or decrease based on the net asset value or gross assets of the investment company. The management fees we are paid for managing the investment company will generally be subject to contractual rights the company's board of directors (or, in the case of the business development company we manage, the investment adviser) has to terminate our management of an account on as short as 30 days' prior notice.
- The investment adviser of BXMT receives annual management fees based upon a percentage of BXMT's net proceeds received from equity offerings and accumulated "core earnings" (which is generally equal to its net income, calculated under accounting principles generally accepted in the United States of America ("GAAP"), excluding certain non-cash and other items), subject to certain adjustments. The management fees we receive from managing BXMT are paid quarterly and increase or decrease based on, among other things, BXMT's net proceeds received from equity offerings and accumulated core earnings (subject to certain adjustments).

For additional information regarding the management fee rates we receive, see "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Revenue Recognition — Management and Advisory Fees, Net."

Incentive Fees

The general partners or similar entities of each of our hedge fund structures receive performance-based allocation fees ("incentive fees") of generally up to 20% of the applicable fund's net capital appreciation per annum, subject to certain net loss carry-forward (known as a "high water mark") and/or other hurdle provisions. In some cases, the investment adviser of each of our funds of hedge funds, separately managed accounts that invest in hedge funds and certain non-U.S. registered investment companies is entitled to an incentive fee of generally up to 15% of the applicable investment vehicle's net appreciation, subject to a high water mark and in some cases a preferred return. In addition, for the business development companies we sub-advise, we receive incentive fees of 10% of the vehicle's net appreciation per annum (in certain cases paid quarterly), subject to a preferred return. The external manager of BXMT is entitled to an incentive fee, payable quarterly, in an amount, not less than zero, equal to the product of (a) 20% and (b) the excess of (i) BXMT's core earnings for the previous 12-month period over (ii) an amount equal to 7% per annum multiplied by BXMT's average outstanding equity (as defined in the management agreement), provided that BXMT's core earnings over the prior three-year period is greater than zero. In addition, the general partner of certain BPP funds is entitled to an incentive fee allocation of up to 10% of excess profits, if any limited partner achieves a cumulative investment return in excess of a 7% hurdle rate. Incentive Fees are realized at the end of a measurement period, typically annually (but in certain real estate funds the measurement period is as long as three years). Once realized, such fees are not subject to clawback.

Carried Interest

The general partner or an affiliate of each of our carry funds also receives carried interest from the investment fund. Carried interest entitles the general partner (or an affiliate) to a preferred allocation of income and gains from a fund. Our ability to generate carried interest is an important element of our business and carried interest has historically accounted for a very significant portion of our income.

The carried interest is typically structured as a net profits interest in the applicable fund. In the case of our carry funds, carried interest is calculated on a “realized gain” basis, and each general partner is generally entitled to a carried interest equal to 20% of the net realized income and gains (generally taking into account unrealized losses) generated by such fund, except that the general partners (or affiliates) of certain of our credit-focused funds, real estate debt funds, multi-asset class investment funds and secondary funds of funds are generally entitled to a carried interest that ranges from 10% to 20% depending on the specific fund. Net realized income or loss is not netted between or among funds.

For most carry funds, the carried interest is subject to an annual preferred limited partner return ranging from 5% to 10%, subject to a catch-up allocation to the general partner. If, at the end of the life of a carry fund (or earlier with respect to our real estate, real estate debt and certain multi-asset class and/or opportunistic investment funds), as a result of diminished performance of later investments in a carry fund’s life, (a) the general partner receives in excess of 20% (10% to 15% in the case of certain of our credit-focused and real estate debt carry funds, certain of our secondary funds of funds and certain multi-asset class investment funds) of the fund’s net profits over the life of the fund, or (in certain cases) (b) the carry fund has not achieved investment returns that exceed the preferred return threshold, then we will be obligated to repay an amount equal to the carried interest that was previously distributed to us that exceeds the amounts to which the relevant general partner we are ultimately entitled on an after tax basis. This obligation is known as a “clawback” obligation and is an obligation of any person who directly received such carried interest, including us and our employees who participate in our carried interest plans.

Although a portion of any distributions by us to our unitholders may include any carried interest received by us, we do not intend to seek fulfillment of any clawback obligation by seeking to have our unitholders return any portion of such distributions attributable to carried interest associated with any clawback obligation. To the extent we are required to fulfill a clawback obligation, however, our general partner may determine to decrease the amount of our distributions to common unitholders. The clawback obligation operates with respect to a given carry fund’s own net investment performance only and carried interest of other funds is not netted for determining this contingent obligation. Moreover, although a clawback obligation is several, the governing agreements of most of our funds provide that to the extent another recipient of carried interest (such as a current or former employee) does not fund his or her respective share of the clawback obligation then due, then we and our employees who participate in such carried interest plans may have to fund additional amounts (generally an additional 50-67%) although we retain the right to pursue any remedies that we have under such governing agreements against those carried interest recipients who fail to fund their obligations. We have recorded a contingent repayment obligation equal to the amount that would be due on December 31, 2015, if the various carry funds were liquidated at their current carrying value.

For additional information concerning the clawback obligations we could face, see “Item 1A. Risk Factors — We may not have sufficient cash to pay back ‘clawback’ obligations if and when they are triggered under the governing agreements with our investors.”

Advisory Fees

Many of our investment advisers, especially private equity and real estate advisers, receive customary fees (for example, acquisition fees or origination fees) upon consummation of many of the funds’ transactions, receive monitoring fees from many of the funds’ portfolio companies for continued advice from the investment adviser, and may from time to time receive disposition and other fees in connection with their activities. The acquisition fees that they receive are generally calculated as a percentage (that generally can range up to 1%) of the total enterprise value of the acquired entity. Most of our carry funds are required to reduce the management fees charged to their limited partner investors by 50% to 100% of such limited partner’s share of the transaction fees and certain other fees that they receive.

Capital Invested In and Alongside Our Investment Funds

To further align our interests with those of investors in our investment funds, we have invested the firm’s capital and that of our personnel in the investment funds we sponsor and manage. Minimum general partner capital

commitments to our investment funds are determined separately with respect to our investment funds and, generally, are less than 5% of the limited partner commitments of any particular fund. See “Part II. Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity Needs” for more information regarding our minimum general partner capital commitments to our funds. We determine whether to make general partner capital commitments to our funds in excess of the minimum required commitments based on a variety of factors, including estimates regarding liquidity over the estimated time period during which commitments will be funded, estimates regarding the amounts of capital that may be appropriate for other opportunities or other funds we may be in the process of raising or are considering raising, prevailing industry standards with respect to sponsor commitments and our general working capital requirements. In many cases, we require our senior managing directors and other professionals to fund a portion of the general partner capital commitments to our funds. In other cases, we may from time to time offer to our senior managing directors and employees a part of the funded or unfunded general partner commitments to our investment funds. Our general partner capital commitments are funded with cash and not with carried interest or deferral of management fees.

Investors in many of our funds also receive the opportunity to make additional “co-investments” with the investment funds. Our personnel, as well as Blackstone itself, also have the opportunity to make co-investments, which we refer to as “side-by-side investments,” with many of our carry funds. Co-investments and side-by-side investments are investments in portfolio companies or other assets on the same terms and conditions as those acquired by the applicable fund. Co-investments refer to investments arranged by us that are made by our limited partner investors (and other investors in some instances) in a portfolio company or other assets alongside an investment fund. In certain cases, limited partner investors may pay additional management fees or carried interest in connection with such co-investments. Side-by-side investments are similar to co-investments but are made by directors, officers, senior managing directors, employees and certain affiliates of Blackstone. These investments are generally made pursuant to a binding election, subject to certain limitations, made once a year for the estimated activity during the ensuing 12 months under which those persons are permitted to make investments alongside a particular carry fund in all transactions of that fund for that year. Side-by-side investments are funded in cash and are not generally subject to management fees or carried interest.

Competition

The asset management industry is intensely competitive, and we expect it to remain so. We compete both globally and on a regional, industry and niche basis. We compete on the basis of a number of factors, including investment performance, transaction execution skills, access to capital, access to and retention of qualified personnel, reputation, range of products and services, innovation and price.

We face competition both in the pursuit of outside investors for our investment funds and in acquiring investments in attractive portfolio companies and making other investments. With respect to outside investors, many have increased the amount of commitments they are making to alternative investment funds. However, any increase in the allocation of amounts of capital to alternative investment strategies by institutional and individual investors could lead to a reduction in the size and duration of pricing inefficiencies that many of our investment funds seek to exploit. Certain institutional investors are demonstrating a preference to in-source their own investment professionals and to make direct investments in alternative assets without the assistance of private equity advisers like us. Such institutional investors may become our competitors and could cease to be our clients.

Depending on the investment, we face competition primarily from sponsors managing other private equity funds, specialized investment funds, hedge funds and other pools of capital, other financial institutions including sovereign wealth funds, corporate buyers and other parties. Several of these competitors have significant amounts of capital and many of them have investment objectives similar to ours, which may create additional competition for investment opportunities. Some of these competitors may also have a lower cost of capital and access to funding sources or other resources that are not available to us, which may create competitive disadvantages for us with respect to investment opportunities. Competitors may also be subject to different regulatory regimes or rules that may provide them more flexibility or better access to pursue transactions or raise capital for their investment funds.

In addition, some of these competitors may have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider variety of investments and to bid more aggressively than us for investments that we want to make. Corporate buyers may be able to achieve synergistic cost savings with regard to an investment or be perceived by sellers as otherwise being more desirable bidders, which may provide them with a competitive advantage in bidding for an investment.

In all of our businesses, competition is also intense for the attraction and retention of qualified employees. Our ability to continue to compete effectively in our businesses will depend upon our ability to attract new employees and retain and motivate our existing employees.

For additional information concerning the competitive risks that we face, see “Item 1A. Risk Factors — Risks Related to Our Business — The asset management business is intensely competitive.”

Employees

As of December 31, 2015, we employed approximately 2,060 people, including our 104 senior managing directors and approximately 790 other investment professionals. We strive to maintain a work environment that fosters professionalism, excellence, integrity and cooperation among our employees.

Regulatory and Compliance Matters

Our businesses, as well as the financial services industry generally, are subject to extensive regulation in the United States and elsewhere.

All of the investment advisers of our investment funds operating in the U.S. are registered as investment advisers with the SEC (other investment advisers are registered in non-U.S. jurisdictions). Registered investment advisers are subject to the requirements and regulations of the Advisers Act. Such requirements relate to, among other things, fiduciary duties to clients, maintaining an effective compliance program, solicitation agreements, conflicts of interest, recordkeeping and reporting requirements, disclosure requirements, limitations on agency cross and principal transactions between an adviser and advisory clients, and general anti-fraud prohibitions.

Blackstone Advisory Partners L.P., a subsidiary of ours through which we conduct our capital markets services business and certain of our fund marketing and distribution, is registered as a broker-dealer with the SEC and is subject to regulation and oversight by the SEC, is a member of the Financial Industry Regulatory Authority, or “FINRA,” and is registered as a broker-dealer in 50 states, the District of Columbia, the Commonwealth of Puerto Rico and the Virgin Islands. In addition, FINRA, a self-regulatory organization that is subject to oversight by the SEC, adopts and enforces rules governing the conduct, and examines the activities, of its member firms, including our broker-dealer entity. State securities regulators also have regulatory or oversight authority over our broker-dealer entity.

Broker-dealers are subject to regulations that cover all aspects of the securities business, including the implementation of a supervisory control system over the securities business, sales practices, conduct of and compensation in connection with public and private securities offerings, use and safekeeping of customers’ funds and securities, maintenance of adequate net capital, record keeping, the financing of customers’ purchases and the conduct and qualifications of directors, officers and employees. In particular, as a registered broker-dealer and member of FINRA, Blackstone Advisory Partners L.P. is subject to the SEC’s uniform net capital rule, Rule 15c3-1. Rule 15c3-1 specifies the minimum level of net capital a broker-dealer must maintain and also requires that a significant part of a broker-dealer’s assets be kept in relatively liquid form. The SEC and various self-regulatory organizations impose rules that require notification when net capital falls below certain predefined criteria, limit the ratio of subordinated debt to equity in the capital structure of a broker-dealer and constrain the ability of a broker-dealer to expand its business under certain circumstances. Additionally, the SEC’s uniform net capital rule imposes certain requirements that may have the effect of prohibiting a broker-dealer from distributing or withdrawing capital and requiring prior notice to the SEC for certain withdrawals of capital.

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Pursuant to the U.K. Financial Services and Markets Act 2000, or “FSMA,” certain of our subsidiaries are subject to regulations promulgated and administered by the Financial Conduct Authority (“FCA”). The Blackstone Group International Partners LLP (“BGIP”) and GSO Capital Partners International LLP (“GSO International”) are both authorized and regulated by the FCA in the United Kingdom. The FSMA and rules promulgated thereunder form the cornerstone of legislation which governs all aspects of our investment business in the United Kingdom, including sales, research and trading practices, provision of investment advice, use and safekeeping of client funds and securities, regulatory capital, record keeping, approval standards for individuals, anti-money laundering, periodic reporting and settlement procedures.

In addition, each of the closed-end and open-end mutual funds and investment management companies we manage is registered under the 1940 Act. The mutual funds and investment management companies and the entities that serve as those vehicles’ investment advisers are subject to the 1940 Act and the rules thereunder, which among other things regulate the relationship between a registered investment company and its investment adviser and prohibit or severely restrict principal transactions and joint transactions.

Blackstone/GSO Debt Funds Management Europe Limited is authorized by the Central Bank of Ireland and is authorized to act as a manager of Irish non-UCITS Collective Investment Schemes. Blackstone/GSO Debt Funds Management Europe II Limited is authorized by the Central Bank of Ireland as an Alternative Investment Fund Manager. Certain Blackstone operating entities are licensed and subject to regulation by financial regulatory authorities in Japan, Hong Kong, Australia and Singapore: The Blackstone Group Japan K.K., a financial instruments firm, is registered with Kanto Local Finance Bureau (Kin-sho) and regulated by the Japan Financial Services Agency; The Blackstone Group (HK) Limited is regulated by the Hong Kong Securities and Futures Commission; The Blackstone Group (Australia) Pty Limited ACN 149 142 058 holds an Australian financial services license authorizing it to provide financial services in Australia (AFSL 408376), and is regulated by the Australian Securities and Investments Commission; and The Blackstone Singapore Pte. Ltd is regulated by the Monetary Authority of Singapore (Company Registration Number: 201020503E).

The SEC and various self-regulatory organizations have in recent years increased their regulatory activities, including regulation, examination and enforcement in respect of asset management firms.

As described above, certain of our businesses are subject to compliance with laws and regulations of U.S. federal and state governments, non-U.S. governments, their respective agencies and/or various self-regulatory organizations or exchanges relating to, among other things, marketing of investment products, the privacy of client information, and any failure to comply with these regulations could expose us to liability and/or damage our reputation. Our businesses have operated for many years within a legal framework that requires our being able to monitor and comply with a broad range of legal and regulatory developments that affect our activities. However, additional legislation, changes in rules promulgated by self-regulatory organizations or changes in the interpretation or enforcement of existing laws and rules, either in the United States or elsewhere, may directly affect our mode of operation and profitability.

Rigorous legal and compliance analysis of our businesses and investments is important to our culture and risk management. Our Chief Legal Officer and Chief Compliance Officer, together with the Chief Compliance Officers of each of our businesses, supervise our compliance group, which is responsible for addressing all regulatory and compliance matters that affect our activities. We strive to maintain a culture of compliance through the use of policies and procedures such as oversight compliance, codes of conduct, compliance systems, communication of compliance guidance and employee education and training. Our compliance policies and procedures address a variety of regulatory and compliance risks such as the handling of material non-public information, personal securities trading, marketing practices, valuation of investments on a fund-specific basis, document retention, potential conflicts of interest, the allocation of investment opportunities, collection of fees and expense allocation.

Our compliance group also monitors the information barriers that we maintain between the public and private side of Blackstone’s businesses. We believe that our various businesses’ access to the intellectual knowledge and

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contacts and relationships that reside throughout our firm benefits all of our businesses. To maximize that access without compromising our compliance with our legal and contractual obligations, our compliance group oversees and monitors the communications between groups that are on the private side of our information barrier and groups that are on the public side, as well as between different public side groups. Our compliance group also monitors contractual obligations that may be impacted and potential conflicts that may arise in connection with these inter-group discussions.

In addition, disclosure controls and procedures and internal controls over financial reporting are documented, tested and assessed for design and operating effectiveness in compliance with the U.S. Sarbanes-Oxley Act of 2002 (“Sarbanes-Oxley”). We have an Internal Audit department with a global mandate and dedicated resources that provides risk-based audit, Sarbanes-Oxley compliance, and advisory practices. Internal Audit, which reports directly to the audit committee of the board of directors of our general partner, aims to provide reasonable, independent, and objective assurance to our management and the board of directors of our general partner that risks are well managed and that controls are appropriate and effective.

Our enterprise risk management practices include review and monitoring of our business, investment and other key risks at various levels, including at the fund, business unit and corporate level. Committees comprised of members of management and representatives of various business units and corporate functions consider and evaluate legal, reputational, operational, control and other risks attendant to our business. In addition, senior management regularly reports to the audit committee of the board of directors of our general partner on risk matters, including by providing periodic risk reports, an overview of management’s view of key risks to the firm and detailed assessments of selected risks.

There are a number of pending or recently enacted legislative and regulatory initiatives in the United States and in Europe that could significantly affect our business. Please see “Item 1A. Risk Factors — Risks Related to Our Business — Regulatory changes in the United States could adversely affect our business” and “Item 1A. Risk Factors — Risks Related to Our Business — Recent regulatory changes in jurisdictions outside the United States could adversely affect our business.”

Available Information

The Blackstone Group L.P. is a Delaware limited partnership that was formed on March 12, 2007.

We file annual, quarterly and current reports and other information with the SEC. These filings are available to the public over the internet at the SEC’s website at www.sec.gov. You may also read and copy any document we file at the SEC’s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

Our principal internet address is www.blackstone.com. We make available free of charge on or through www.blackstone.com our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The contents of our website are not, however, a part of this report.

ITEM 1A. RISK FACTORS

Risks Related to Our Business

Difficult market conditions can adversely affect our business in many ways, including by reducing the value or performance of the investments made by our investment funds and reducing the ability of our investment funds to raise or deploy capital, each of which could materially reduce our revenue, earnings and cash flow and adversely affect our financial prospects and condition.

Our business is materially affected by conditions in the global financial markets and economic conditions or events throughout the world that are outside our control, including but not limited to changes in interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation), trade barriers, commodity prices, currency exchange rates and controls and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of securities prices and the liquidity and the value of investments, and we may not be able to or may choose not to manage our exposure to these market conditions and/or other events. In the event of a market downturn each of our businesses could be affected in different ways.

Turmoil in the global financial markets, such as occurred in 2008-2009 and 2015, can provoke significant volatility of equity and debt securities prices. This can have a material and rapid impact on our mark-to-market valuations particularly with respect to our public holdings and credit investments. A lack of credit resulting from turmoil in the global financial markets in the future may materially hinder the initiation of new, large-sized transactions for our private equity and real estate segments and adversely impact our operating results. As publicly traded equity securities represent a higher proportion of the assets of many of our carry funds than has typically been the case, stock market volatility may have a greater impact on our reported results than in the past and declines in the stock market may adversely affect our results, including our revenues and net income. Although base rates are inside of historical averages, financing costs have increased significantly in recent months, and there is concern that the monetary policy of central banks, including of the U.S. Federal Reserve, as well as other market factors, including, without limitation, gross domestic product growth in the U.S., European Union and China, commodity prices and performance of the energy credit market, may adversely impact the cost and availability of credit. In addition, many emerging economies continue to experience weakness, tighter credit conditions and a decreased availability of foreign capital. Continued weakness could result in lower returns than we anticipated at the time certain of our investments were made.

Although interest rates have been at historically low levels for the last few years, the U.S. Federal Reserve recently raised rates and has indicated an intention to continue raising rates in the coming months, and a period of sharply rising interest rates could have an adverse impact on our business.

Many investments made by our funds are highly illiquid, and we may not be able to realize investments in a timely manner. Challenging market and economic conditions, including volatile equity and credit markets, have resulted in reduced opportunities for our funds to exit and realize value from their existing investments and lower than expected returns on existing investments. Although the equity markets are not the only means by which we exit investments, should challenges in the equity market continue, our funds may experience increased difficulty in realizing value from investments. Challenging market and economic conditions have also made it and may in the future make it more difficult and competitive to find suitable investments for the funds to effectively deploy capital. This could adversely affect our performance and ability to raise new funds. During periods of difficult market conditions or slowdowns (which may be across one or more industries, sectors or geographies), our funds' portfolio companies may experience adverse operating performance, decreased revenues, credit rating downgrades, financial losses, difficulty in obtaining access to financing and increased funding costs. Negative financial results in our investment funds' portfolio companies may result in lower investment returns for our investment funds, which could materially and adversely affect our ability to raise new funds as well as our operating results and cash flow. To the extent the operating performance of those portfolio companies (as well as valuation multiples) do not improve or other portfolio companies experience adverse operating performance, our investment funds may sell those assets at values that are less than we projected or even a loss, thereby significantly affecting those investment funds'

performance and consequently our operating results and cash flow. During such periods of weakness, our investment funds' portfolio companies may also have difficulty expanding their businesses and operations or meeting their debt service obligations or other expenses as they become due, including expenses payable to us. Furthermore, such negative market conditions could potentially result in a portfolio company entering bankruptcy proceedings, thereby potentially resulting in a complete loss of the fund's investment in such portfolio company and a significant negative impact to the investment fund's performance and consequently to our operating results and cash flow, as well as to our reputation. In addition, negative market conditions would also increase the risk of default with respect to investments held by our investment funds that have significant debt investments, such as our credit-focused funds. Estimates or projections of market conditions, commodity prices and supply and demand dynamics are key factors in evaluating potential investment opportunities and valuing the investments made by our funds. These estimates are subject to wide variances based on changes in market conditions, underlying assumptions, commodity prices and technical or investment-related assumptions. We are unable to predict whether and to what extent economic and market conditions will improve. Even if such conditions do improve broadly and significantly over the long term, adverse conditions and/or other events in particular sectors may cause our performance to suffer further.

In addition, the performance of the investments made by our credit and equity funds in the energy and natural resources markets are also subject to a high degree of market risk. See “— Investments by our funds in the power and energy industries involve various operational, construction, regulatory and market risks that could adversely affect our results of operations, liquidity and financial condition.”

Our operating performance may also be adversely affected by our fixed costs and other expenses and the possibility that we would be unable to scale back other costs within a time frame sufficient to match any decreases in revenue relating to changes in market and economic conditions. In order to reduce expenses in the face of a difficult economic environment, we may need to cut back or eliminate the use of certain services or service providers, or terminate the employment of a significant number of our personnel that, in each case, could be important to our business and without which our operating results could be adversely affected.

Changes in the debt financing markets could negatively impact the ability of our funds and their portfolio companies to obtain attractive financing or refinancing for their investments and could increase the cost of such financing if it is obtained, which could lead to lower-yielding investments and potentially decrease our net income.

A significant contraction in the market for debt financing, such as the contraction that occurred in 2008 and 2009 or other adverse change, including any regulatory changes that would limit banks' ability to provide debt financing, to us relating to the terms of such debt financing with, for example, higher rates, higher equity requirements, and/or more restrictive covenants, particularly in the area of acquisition financings for private equity and real estate transactions, would have a material adverse impact on our business. In the event that our funds are unable to obtain committed debt financing for potential acquisitions or can only obtain debt at an increased interest rate or on unfavorable terms, our funds may have difficulty completing otherwise profitable acquisitions or may generate profits that are lower than would otherwise be the case, either of which could lead to a decrease in the investment income earned by us. Similarly, our funds' portfolio companies regularly utilize the corporate debt markets in order to obtain financing for their operations. To the extent that the credit markets and/or regulatory changes render such financing difficult to obtain or more expensive, this may negatively impact the operating performance of those portfolio companies and, therefore, the investment returns on our funds. In addition, to the extent that the markets and/or regulatory changes make it difficult or impossible to refinance debt that is maturing in the near term, some of our portfolio companies may be unable to repay such debt at maturity and may be forced to sell assets, undergo a recapitalization or seek bankruptcy protection.

A decline in the pace or size of investment by our private equity and real estate funds or an increase in the amount of transaction and monitoring fees we share with our investors would result in our receiving less revenue from transaction and monitoring fees.

The transaction and monitoring fees that we earn are driven in part by the pace at which our private equity and real estate funds make investments and the size of those investments. Any decline in that pace or the size of such

investments would reduce our transaction and monitoring fees. Many factors could cause such a decline in the pace of investment, including the inability of our investment professionals to identify attractive investment opportunities, competition for such opportunities among other potential acquirers, decreased availability of capital on attractive terms and our failure to consummate identified investment opportunities because of business, regulatory or legal complexities and adverse developments in the U.S. or global economy or financial markets. In addition, we have confronted and expect to continue to confront requests from a variety of investors and groups representing investors to increase the percentage of certain fees we share with our investors. As a result, for our more recent funds, the percentage of transaction and monitoring fees that we share with our investors has increased, in many cases to 100%, as compared to historical percentages, such as with our recent fundraise in our flagship private equity fund (BCP VII). This will reduce the amount of fee revenue we earn from transaction and monitoring fees. To the extent such increases continue in future fundraises, it would continue to decrease such fee revenue.

Our revenue, earnings, net income and cash flow are all highly variable, which may make it difficult for us to achieve steady earnings growth on a quarterly basis and may cause the price of our common units to decline.

Our revenue, net income and cash flow are all highly variable. For example, our cash flow may fluctuate significantly due to the fact that we receive carried interest from our carry funds only when investments are realized and achieve a certain preferred return. In addition, transaction fees received by our carry funds can vary significantly from quarter to quarter. We may also experience fluctuations in our results, including our revenue and net income, from quarter to quarter due to a number of other factors, including changes in the values of our funds' investments, changes in the amount of distributions, dividends or interest paid in respect of investments, changes in our operating expenses, the degree to which we encounter competition and general economic and market conditions. In particular, economic and market conditions may lead to volatility in the mark-to-market valuations of investments made by our funds, particularly in respect of our public investments. It may be difficult for us to achieve steady growth in net income and cash flow on a quarterly basis, which could in turn lead to large adverse movements in the price of our common units or increased volatility in our common unit price generally.

The timing and receipt of carried interest generated by our carry funds is uncertain and will contribute to the volatility of our results. Carried interest depends on our carry funds' performance and opportunities for realizing gains, which may be limited. It takes a substantial period of time to identify attractive investment opportunities, to raise all the funds needed to make an investment and then to realize the cash value (or other proceeds) of an investment through a sale, public offering, recapitalization or other exit. Even if an investment proves to be profitable, it may be several years before any profits can be realized in cash (or other proceeds). We cannot predict when, or if, any realization of investments will occur. In addition, upon the realization of a profitable investment by any of our carry funds and prior to us receiving any carried interest in respect of that investment, 100% of the proceeds of that investment must generally be paid to the investors in that carry fund until they have recovered certain fees and expenses and achieved a certain return on all realized investments by that carry fund as well as a recovery of any unrealized losses. If we were to have a realization event in a particular quarter, it may have a significant impact on our results for that particular quarter which may not be replicated in subsequent quarters. We recognize revenue on investments in our investment funds based on our allocable share of realized and unrealized gains (or losses) reported by such investment funds, and a decline in realized or unrealized gains, or an increase in realized or unrealized losses, would adversely affect our revenue and possibly cash flow, which could further increase the volatility of our quarterly results. Because our carry funds have preferred return thresholds to investors that need to be met prior to Blackstone receiving any carried interest, substantial declines in the carrying value of the investment portfolios of a carry fund can significantly delay or eliminate any carried interest distributions paid to us in respect of that fund since the value of the assets in the fund would need to recover to their aggregate cost basis plus the preferred return over time before we would be entitled to receive any carried interest from that fund.

The timing and receipt of carried interest also varies with the life cycle of our carry funds. During periods in which a relatively large portion of our assets under management is attributable to carry funds and investments in their "harvesting" period, our carry funds would make larger distributions than in the fundraising or investment periods that precede harvesting. During periods in which a significant portion of our assets under management is attributable to carry funds that are not in their harvesting periods, we may receive substantially lower carried interest distributions.

With respect to most of our funds of hedge funds as well as our credit-focused, and real estate debt and core+ funds structured like hedge funds, our incentive income is paid annually or semi-annually, and the varying frequency of these payments will contribute to the volatility of our cash flow. Furthermore, we earn this incentive income only if the net asset value of a fund has increased or, in the case of certain funds, increased beyond a particular return threshold. Certain of these funds also have “high water marks” whereby we do not earn incentive income during a particular period even though the fund had positive returns in such period as a result of losses in prior periods. If one of these funds experiences losses, we will not be able to earn incentive income from the fund until it surpasses the previous high water mark. The incentive income we earn is therefore dependent on the net asset value of the fund, which could lead to significant volatility in our results.

Because our revenue, net income and cash flow can be highly variable from quarter to quarter and year to year, we do not provide any guidance regarding our expected quarterly and annual operating results. The lack of guidance may affect the expectations of public market analysts and could cause increased volatility in our common unit price.

Adverse economic and market conditions may adversely affect our liquidity position, which could adversely affect our business operations in the future.

We use cash to (a) provide capital to facilitate the growth of our existing businesses, which principally includes funding our general partner and co-investment commitments to our funds, (b) provide capital for business expansion, (c) pay operating expenses and other obligations as they arise, (d) fund capital expenditures, (e) service interest payments on our debt and repay debt, (f) pay income taxes, and (g) make distributions to our unitholders and the holders of Blackstone Holdings Partnership Units. In addition to the cash we received in connection with our initial public offering (“IPO”), our \$600 million debt offering in August 2009, our \$400 million debt offering in September 2010, our \$650 million debt offering in August 2012, our \$500 million debt offering in April 2014, our \$350 million debt offering in April 2015, and our €300 million debt offering in May 2015, our principal sources of cash are: (a) Fee Related Earnings, (b) Realized Performance Fees net of related profit sharing interests that are included in Compensation and (c) Blackstone Investment Income related to its investments in liquid funds and its net realized investment income on its illiquid investments. We have also entered into a \$1.1 billion revolving credit facility with a final maturity date of May 29, 2019. Our long-term debt totaled \$2.8 billion in borrowings from the 2009, 2010, 2012, 2014 and 2015 bond issuances and we had no borrowings outstanding against our \$1.1 billion revolving credit facility as of December 31, 2015. At the end of 2015, we had \$1.8 billion in cash, \$2.2 billion invested in our Treasury Cash Management Strategies, \$159.8 million invested in liquid Blackstone funds, \$1.9 billion invested in illiquid Blackstone funds and \$129.5 million invested in other investments.

If the global economy and conditions in the financing markets worsen, our fund investment performance could suffer, resulting in, for example, the payment of less or no carried interest to us. The payment of less or no carried interest could cause our cash flow from operations to significantly decrease, which could materially and adversely affect our liquidity position and the amount of cash we have on hand to conduct our operations and make distributions to our unitholders. Having less cash on hand could in turn require us to rely on other sources of cash (such as the capital markets, which may not be available to us on acceptable terms) to conduct our operations, which include, for example, funding significant general partner and co-investment commitments to our carry funds, or to make quarterly distributions to our unitholders. Furthermore, during adverse economic and market conditions, we might not be able to renew all or part of our existing revolving credit facility or find alternate financing on commercially reasonable terms. As a result, our uses of cash may exceed our sources of cash, thereby potentially affecting our liquidity position.

We depend on our founder and other key senior managing directors and the loss of their services would have a material adverse effect on our business, results and financial condition.

We depend on the efforts, skill, reputations and business contacts of our founder, Stephen A. Schwarzman, and other key senior managing directors, the information and deal flow they generate during the normal course of their activities and the synergies among the diverse fields of expertise and knowledge held by our professionals.

Accordingly, our success will depend on the continued service of these individuals, who are not obligated to remain employed with us. Several key senior managing directors have left the firm in the past and others may do so in the future, and we cannot predict the impact that the departure of any key senior managing director will have on our ability to achieve our investment objectives. The loss of the services of any of them could have a material adverse effect on our revenues, net income and cash flows and could harm our ability to maintain or grow assets under management in existing funds or raise additional funds in the future. We have historically relied in part on the interests of these professionals in the investment funds' carried interest and incentive fees to discourage them from leaving the firm. However, to the extent our investment funds perform poorly, thereby reducing the potential for carried interest and incentive fees, their interests in carried interest and incentive fees become less valuable to them and become less effective as incentives for them to continue to be employed at Blackstone.

Our senior managing directors and other key personnel possess substantial experience and expertise and have strong business relationships with investors in our funds, clients and other members of the business community. As a result, the loss of these personnel could jeopardize our relationships with investors in our funds, our clients and members of the business community and result in the reduction of assets under management or fewer investment opportunities.

Our publicly traded structure may adversely affect our ability to retain and motivate our senior managing directors and other key personnel and to recruit, retain and motivate new senior managing directors and other key personnel, both of which could adversely affect our business, results and financial condition.

Our most important asset is our people, and our continued success is highly dependent upon the efforts of our senior managing directors and other professionals. Our future success and growth depends to a substantial degree on our ability to retain and motivate our senior managing directors and other key personnel and to strategically recruit, retain and motivate new talented personnel. Most of our current senior managing directors and other senior personnel have equity interests in our business that are primarily partnership units in Blackstone Holdings (as defined under “Part III. Item 13. Certain Relationships and Related Transactions, and Director Independence — Blackstone Holdings Partnership Agreements”) and which entitle such personnel to cash distributions. However, the value of such Blackstone Holdings Partnership Units and the distributions in respect of these equity interests may not be sufficient to retain and motivate our senior managing directors and other key personnel, nor may they be sufficiently attractive to strategically recruit, retain and motivate new talented personnel. Moreover, prior to our IPO, many of our senior managing directors and other senior personnel had interests in each of our underlying businesses which may have entitled to them to a larger amount of cash distributions than they receive in respect of Blackstone Holdings Partnership Units.

Additionally, the retention of an increasingly larger portion of the Blackstone Holdings Partnership Units held by senior managing directors is not dependent upon their continued employment with us as those equity interests continue to vest as time passes. Moreover, the minimum retained ownership requirements and transfer restrictions to which these interests are subject in certain instances lapse over time, may not be enforceable in all cases and can be waived. There is no guarantee that the non-competition and non-solicitation agreements to which our senior managing directors are subject, together with our other arrangements with them, will prevent them from leaving us, joining our competitors or otherwise competing with us or that these agreements will be enforceable in all cases. In addition, these agreements will expire after a certain period of time, at which point each of our senior managing directors would be free to compete against us and solicit investors in our funds, clients and employees.

We might not be able to provide future senior managing directors with equity interests in our business to the same extent or with the same tax consequences from which our existing senior managing directors previously benefited. For example, if legislation were to be enacted by the U.S. Congress or any state or local governments to treat carried interest as ordinary income rather than as capital gain for tax purposes, such legislation would materially increase the amount of taxes that we and possibly our unitholders would be required to pay, thereby adversely affecting our ability to recruit, retain and motivate our current and future professionals. See “— Risks

Related to United States Taxation — Our structure involves complex provisions of U.S. federal income tax law for which no clear precedent or authority may be available. Our structure also is subject to potential legislative, judicial or administrative change and differing interpretations, possibly on a retroactive basis.”

Alternatively, the value of the units we may issue senior managing directors at any given time may subsequently fall (as reflected in the market price of our common units), which could counteract the incentives we are seeking to induce in them. Therefore, in order to recruit and retain existing and future senior managing directors, we may need to increase the level of compensation that we pay to them. Accordingly, as we promote or hire new senior managing directors over time, we may increase the level of compensation we pay to our senior managing directors, which would cause our total employee compensation and benefits expense as a percentage of our total revenue to increase and adversely affect our profitability. In addition, issuance of equity interests in our business in the future to senior managing directors and other personnel would dilute public common unitholders.

We strive to maintain a work environment that reinforces our culture of collaboration, motivation and alignment of interests with investors. If we do not continue to develop and implement the right processes and tools to manage our changing enterprise and maintain this culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition and results of operations.

Our organizational documents do not limit our ability to enter into new lines of businesses, and we may expand into new investment strategies, geographic markets and businesses, each of which may result in additional risks and uncertainties in our businesses.

Our plan, to the extent that market conditions permit, is to continue to grow our investment businesses and expand into new investment strategies, geographic markets and businesses. Our organizational documents do not limit us to the investment management and financial advisory businesses. Accordingly, we may pursue growth through acquisitions of other investment management or advisory companies, acquisitions of critical business partners or other strategic initiatives. In addition, we expect opportunities will arise to acquire other alternative or traditional asset managers. To the extent we make strategic investments or acquisitions, undertake other strategic initiatives or enter into a new line of business, we will face numerous risks and uncertainties, including risks associated with (a) the required investment of capital and other resources, (b) the possibility that we have insufficient expertise to engage in such activities profitably or without incurring inappropriate amounts of risk, (c) the diversion of management’s attention from our core businesses, (d) assumption of liabilities in any acquired business, (e) the disruption of our ongoing businesses, (f) the increasing demands on or issues related to the combining or integrating operational and management systems and controls, (g) compliance with additional regulatory requirements, and (h) the broadening of our geographic footprint, including the risks associated with conducting operations in non-U.S. jurisdictions. Entry into certain lines of business may subject us to new laws and regulations with which we are not familiar, or from which we are currently exempt, and may lead to increased litigation and regulatory risk. For example, our recent and planned business initiatives include offering registered investment products and the creation of investment products open to retail investors. These activities have and will continue to impose additional compliance burdens on us and could also subject us to enhanced regulatory scrutiny and expose us to greater reputation and litigation risk. See “— We are subject to substantial litigation risks and may face significant liabilities and damage to our professional reputation as a result of litigation allegations and negative publicity.” In addition, if a new business generates insufficient revenues or if we are unable to efficiently manage our expanded operations, our results of operations will be adversely affected. Our strategic initiatives may include joint ventures, in which case we will be subject to additional risks and uncertainties in that we may be dependent upon, and subject to liability, losses or reputational damage relating to systems, controls and personnel that are not under our control.

If we are unable to consummate or successfully integrate additional development opportunities, acquisitions or joint ventures, we may not be able to implement our growth strategy successfully.

Our growth strategy is based, in part, on the selective development or acquisition of asset management businesses, or other businesses complementary to our business where we think we can add substantial value or generate substantial returns. The success of this strategy will depend on, among other things: (a) the availability of suitable opportunities, (b) the level of competition from other companies that may have greater financial resources, (c) our ability to value potential development or acquisition opportunities accurately and negotiate acceptable terms for those opportunities, (d) our ability to obtain requisite approvals and licenses from the relevant governmental authorities and to comply with applicable laws and regulations without incurring undue costs and delays and (e) our ability to identify and enter into mutually beneficial relationships with venture partners. Moreover, even if we are able to identify and successfully complete an acquisition, we may encounter unexpected difficulties or incur unexpected costs associated with integrating and overseeing the operations of the new businesses. If we are not successful in implementing our growth strategy, our business, financial results and the market price for our common units may be adversely affected.

The spin-off of our financial and strategic advisory services, restructuring and reorganization advisory services, and Park Hill fund placement businesses could result in substantial tax liability for us and/or our unitholders.

On October 1, 2015, we completed the previously-announced spin-off of our financial and strategic advisory services, restructuring and reorganization advisory services, and Park Hill fund placement businesses and combined these businesses with PJT Partners, an independent financial advisory firm founded by Paul J. Taubman, to form an independent publicly traded company. We may be responsible for U.S. federal income tax liabilities that relate to the spin-off if certain internal reorganization transactions in connection with the spin-off fail to qualify as tax-free, and our unitholders may also incur U.S. federal income tax liability in such circumstances.

The U.S. Congress has considered legislation that, if enacted, would have (a) for taxable years beginning ten years after the date of enactment, precluded us from qualifying as a partnership for U.S. federal income tax purposes or required us to hold carried interest through taxable subsidiary corporations and (b) taxed individual holders of common units with respect to certain income and gains at increased rates. If any similar legislation were to be enacted and apply to us, we could incur a material increase in our tax liability and a substantial portion of our income could be taxed at a higher rate to the individual holders of our common units.

Over the past several years, a number of legislative and administrative proposals to change the taxation of Carried Interest have been introduced and, in certain cases, have been passed by the U.S. House of Representatives that would have, in general, treated income and gains, including gain on sale, attributable to an investment services partnership interest, or “ISPI,” as income subject to a new blended tax rate that is higher than the capital gains rate applicable to such income under current law, except to the extent such ISPI would have been considered under the legislation to be a qualified capital interest. Our common units and the interests that we hold in entities that are entitled to receive Carried Interest would likely have been classified as ISPIs for purposes of this legislation. It is unclear whether or when the U.S. Congress will pass such legislation or what provisions will be included in any final legislation if enacted.

Some legislative proposals have provided that, for taxable years beginning ten years after the date of enactment, income derived with respect to an ISPI that is not a qualified capital interest and that is subject to the foregoing rules would not meet the qualifying income requirements under the publicly traded partnership rules. Therefore, if similar legislation were to be enacted, following such ten-year period, we would be precluded from qualifying as a partnership for U.S. federal income tax purposes or be required to hold all such ISPIs through corporations. If we were taxed as a U.S. corporation or held all ISPIs through U.S. corporations, our effective tax rate could increase significantly. The federal statutory rate for corporations is currently 35%. In addition, we could be subject to increased state and local taxes. Furthermore, common unitholders could be subject to tax on our conversion into a corporation or any restructuring required in order for us to hold our ISPIs through a corporation.

The Obama administration has made similar proposals that would tax income and gain, including gain on sale, attributable to an ISPI at ordinary rates, with an exception for certain qualified capital interests. The proposals would also characterize certain income and gain in respect of ISPIs as non-qualifying income under the tax rules applicable to publicly traded partnerships after a ten-year transition period from the effective date, with an exception for certain qualified capital interests. The Obama administration proposed similar changes in its published revenue proposals for 2015 and prior years.

States and other jurisdictions have also considered legislation to increase taxes with respect to Carried Interest. For example, New York has considered legislation which could have caused a non-resident of New York who holds our common units to be subject to New York state income tax on carried interest earned by entities in which we hold an indirect interest, thereby requiring the non-resident to file a New York state income tax return reporting such carried interest income. It is unclear whether or when similar legislation will be enacted. Finally, several state and local jurisdictions have evaluated ways to subject partnerships to entity-level taxation through the imposition of state or local income, franchise or other forms of taxation or to increase the amount of such taxation. If any state were to impose a tax upon us as an entity, our distribution to common unitholders would be reduced.

Additional proposed changes in the U.S. and foreign taxation of businesses could adversely affect us.

Congress, the Organization for Economic Co-operation and Development (“OECD”) and other government agencies in jurisdictions in which we and our affiliates invest or do business have maintained a focus on issues related to the taxation of multinational companies. The OECD, which represents a coalition of member countries, is contemplating changes to numerous long-standing tax principles through its base erosion and profit shifting (“BEPS”) project, which is focused on a number of issues, including the shifting of profits between affiliated entities in different tax jurisdictions. Additionally, the Obama administration has announced other proposals for potential reform to the U.S. federal income tax rules for businesses, including reducing the deductibility of interest for corporations, anti-inversion rules, reducing the top marginal rate on corporations and subjecting entities currently treated as partnerships for tax purposes to an entity-level income tax similar to the corporate income tax. Several of these proposals for reform, if enacted by the United States or by other countries in which we or our affiliates invest or do business, could adversely affect us. It is unclear what any actual legislation would provide, when it would be proposed or what its prospects for enactment would be.

Other proposals by members of Congress have contemplated the migration of the United States from a “worldwide” system of taxation, pursuant to which U.S. corporations are taxed on their worldwide income, to a territorial system where U.S. corporations are taxed only on their U.S. source income (subject to certain exceptions for income derived in low-tax jurisdictions from the exploitation of tangible assets) at a top corporate tax rate that would be 25%. The territorial tax system proposals envisage a revenue neutral result and consequently include numerous revenue raisers to offset the reduction in the tax rate and base which may or may not be detrimental to us. A variation of this proposal contemplates a similar territorial U.S. tax system, but with more expansive U.S. taxation of the foreign profits of non-U.S. subsidiaries of U.S. corporations. Such proposal would also eliminate the withholding tax exemption on portfolio interest debt obligations for investors residing in non-treaty jurisdictions. Speaker of the House Paul Ryan has also identified comprehensive tax reform as a priority for the next Congress. Whether these or other proposals will be enacted by the government and in what form is unknown, as are the ultimate consequences of the proposed legislation.

The potential requirement to convert our financial statements from being prepared in conformity with accounting principles generally accepted in the United States of America to International Financial Reporting Standards may strain our resources and increase our annual expenses.

As a public entity, the SEC may require in the future that we report our financial results under International Financial Reporting Standards (“IFRS”) instead of under GAAP. IFRS is a set of accounting principles that has been gaining acceptance on a worldwide basis. These standards are published by the London-based International Accounting Standards Board (“IASB”) and are more focused on objectives and principles and less reliant on

detailed rules than GAAP. Today, there remain significant and material differences in several key areas between GAAP and IFRS which would affect Blackstone. Additionally, GAAP provides specific guidance in classes of accounting transactions for which equivalent guidance in IFRS does not exist. The adoption of IFRS is highly complex and would have an impact on many aspects and operations of Blackstone, including but not limited to financial accounting and reporting systems, internal controls, taxes, borrowing covenants and cash management. It is expected that a significant amount of time, internal and external resources and expenses over a multi-year period would be required for this conversion.

Operational risks may disrupt our businesses, result in losses or limit our growth.

We rely heavily on our financial, accounting, communications and other data processing systems. Our systems may fail to operate properly or become disabled as a result of tampering or a breach of our network security systems or otherwise. In addition, our systems face ongoing cybersecurity threats and attacks. Breaches of our network security systems could involve attacks that are intended to obtain unauthorized access to our proprietary information, destroy data or disable, degrade or sabotage our systems, often through the introduction of computer viruses, cyberattacks and other means and could originate from a wide variety of sources, including unknown third parties outside the firm. Although we take various measures to ensure the integrity of our systems, there can be no assurance that these measures will provide protection. If our systems are compromised, do not operate properly or are disabled, we could suffer financial loss, a disruption of our businesses, liability to our investment funds, regulatory intervention or reputational damage.

In addition, we operate in businesses that are highly dependent on information systems and technology. Our information systems and technology may not continue to be able to accommodate our growth, and the cost of maintaining such systems may increase from its current level. Such a failure to accommodate growth, or an increase in costs related to such information systems, could have a material adverse effect on us.

Furthermore, we depend on our headquarters in New York City, where many of our personnel are located, for the continued operation of our business. A disaster or a disruption in the infrastructure that supports our businesses, including a disruption involving electronic communications or other services used by us or third parties with whom we conduct business, or directly affecting our headquarters, could have a material adverse impact on our ability to continue to operate our business without interruption. Our disaster recovery programs may not be sufficient to mitigate the harm that may result from such a disaster or disruption. In addition, insurance and other safeguards might only partially reimburse us for our losses, if at all.

Finally, we rely on third party service providers for certain aspects of our business, including for certain information systems and technology and administration of our hedge funds. Any interruption or deterioration in the performance of these third parties or failures of their information systems and technology could impair the quality of the funds' operations and could affect our reputation and hence adversely affect our businesses.

Extensive regulation of our businesses affects our activities and creates the potential for significant liabilities and penalties. The possibility of increased regulatory focus could result in additional burdens on our business.

Our business is subject to extensive regulation, including periodic examinations, by governmental agencies and self-regulatory organizations in the jurisdictions in which we operate around the world. These authorities have regulatory powers dealing with many aspects of financial services, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities. Many of these regulators, including U.S. and foreign government agencies and self-regulatory organizations, as well as state securities commissions in the United States, are also empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel, changes in policies, procedures or disclosure or other sanctions, including censure, the issuance of cease-and-desist orders, the suspension or expulsion of a broker-dealer or investment adviser from registration or memberships or the commencement of a civil or criminal lawsuit against us or our personnel. Moreover, the financial services industry generally is presently the subject of heightened scrutiny, and the SEC has

specifically focused on private equity. In that connection, the SEC's list of examination priorities includes, among other things, private equity firms' collection of fees and allocation of expenses, their marketing and valuation practices and allocation of investment opportunities. We regularly are subject to requests for information and informal or formal investigations by the SEC and other regulatory authorities, with which we routinely cooperate and, in the current environment, even historical practices that have been previously examined are being revisited. For example, in October 2015, without admitting or denying any wrongdoing, three of our private equity fund advisors consented to the entry of an order settling certain matters in connection with funds formed many years ago relating to historical monitoring fee termination practices and historical practices relating to the application of disparate vendor discounts to Blackstone and to our funds that were charged in 2011. See "Item 3. Legal Proceedings" for additional information. SEC actions and initiatives can have an adverse effect on our financial results, including as a result of the imposition of a sanction or changing our historic practices. Even if an investigation or proceeding did not result in a sanction or the sanction imposed against us or our personnel by a regulator were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm our reputation and cause us to lose existing clients or fail to gain new clients.

We rely on complex exemptions from statutes in conducting our asset management activities.

We regularly rely on exemptions from various requirements of the U.S. Securities Act of 1933, as amended, or "Securities Act," the Exchange Act, the 1940 Act, the Commodity Exchange Act and the U.S. Employee Retirement Income Security Act of 1974, as amended, in conducting our asset management activities. These exemptions are sometimes highly complex and may in certain circumstances depend on compliance by third parties whom we do not control. If for any reason these exemptions were to become unavailable to us, we could become subject to regulatory action or third party claims and our business could be materially and adversely affected. For example, in 2014, the SEC amended Rule 506 of Regulation D under the Securities Act to impose "bad actor" disqualification provisions which ban an issuer from offering or selling securities pursuant to the safe harbor rule in Rule 506 if the issuer, or any other "covered person," is the subject of a criminal, regulatory or court order or other "disqualifying event" under the rule which has not been waived. The definition of "covered person" under the rule includes an issuer's directors, general partners, managing members and executive officers; affiliates who are also issuing securities in the offering; beneficial owners of 20% or more of the issuer's outstanding equity securities; and promoters and persons compensated for soliciting investors in the offering. Accordingly, our ability to rely on Rule 506 to offer or sell securities would be impaired if we or any "covered person" is the subject of a disqualifying event under the rule and we are unable to obtain a waiver. The requirements imposed by our regulators are designed primarily to ensure the integrity of the financial markets and to protect investors in our investment funds and are not designed to protect our common unitholders. Consequently, these regulations often serve to limit our activities and impose burdensome compliance requirements.

We and our affiliates from time to time are required to report specified dealings or transactions involving Iran or other sanctioned individuals or entities.

The Iran Threat Reduction and Syrian Human Rights Act of 2012 ("ITRA") expands the scope of U.S. sanctions against Iran. More specifically, Section 219 of the ITRA amended the Exchange Act to require companies subject to SEC reporting obligations under Section 13 of the Exchange Act to disclose in their periodic reports specified dealings or transactions involving Iran or other individuals and entities targeted by certain OFAC sanctions engaged in by the reporting company or any of its affiliates during the period covered by the relevant periodic report. In some cases, ITRA requires companies to disclose these types of transactions even if they were permissible under U.S. law. Companies that may be considered our affiliates have publicly filed and/or provided to us the disclosures reproduced on Exhibit 99.1 of each of our Quarterly Reports on Form 10-Q filed on May 8, 2015, August 6, 2015 and November 5, 2015 as well as Exhibit 99.1 of this Annual Report on Form 10-K, which disclosures are hereby incorporated by reference herein. We have not independently verified or participated in the preparation of these disclosures. We are required to separately file with the SEC a notice that such activities have been disclosed in this report, and the SEC is required to post this notice of disclosure on its website and send the report to the U.S. President and certain U.S. Congressional committees. The U.S. President thereafter is required to

initiate an investigation and, within 180 days of initiating such an investigation, to determine whether sanctions should be imposed. Disclosure of such activity, even if such activity is not subject to sanctions under applicable law, and any sanctions actually imposed on us or our affiliates as a result of these activities, could harm our reputation and have a negative impact on our business.

Regulatory changes in the United States could adversely affect our business.

As a result of the financial crisis and highly publicized financial scandals, investors have exhibited concerns over the integrity of the U.S. financial markets and the regulatory environment in which we operate in the United States. There has been active debate over the appropriate extent of regulation and oversight of private investment funds and their managers. We may be adversely affected as a result of new or revised legislation or regulations imposed by the SEC or other U.S. governmental regulatory authorities or self-regulatory organizations that supervise the financial markets. We also may be adversely affected by changes in the interpretation or enforcement of existing laws and rules by these governmental authorities and self-regulatory organizations. For example, senior officials at the SEC have recently emphasized their intention to implement a “broken windows” policy, meaning that the SEC will pursue even the most minor violations on the theory that publicly pursuing smaller matters will reduce the prevalence of larger matters. The Director of the SEC’s Division of Enforcement has described “broken windows” as a zero tolerance policy.

On July 21, 2010, President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), which imposes significant new regulations on almost every aspect of the U.S. financial services industry, including aspects of our business. Among other things, the Dodd-Frank Act includes the following provisions that could have an adverse impact on our ability to conduct our business:

- As described elsewhere in this Form 10-K, all of the investment advisers of our investment funds operated in the U.S. are registered as investment advisers with the SEC. Private equity and hedge fund advisers registered with the SEC under the Advisers Act are required to maintain extensive records and to file reports.
- On December 16, 2015, the Commodity Futures Trading Commission (“CFTC”) published a final rule governing margin requirements for uncleared swaps entered into by swap dealers and major swap participants subject to CFTC regulation. The final rule, which becomes effective on April 1, 2016, generally requires covered swap entities, subject to certain thresholds and exemptions for inter-affiliate swaps, to collect and post margin in respect of uncleared swap transactions with other covered swap entities and financial end-users. These newly adopted rules on margin requirements for uncleared swaps could adversely affect our business, including our ability to enter such swaps or our available liquidity.
- The Dodd-Frank Act authorizes federal regulatory agencies to review and, in certain cases, prohibit compensation arrangements at financial institutions that give employees incentives to engage in conduct deemed to encourage inappropriate risk taking by covered financial institutions. On March 2, 2011, the SEC proposed a rule, as part of a joint rulemaking effort with U.S. federal banking regulators, that would apply to “covered financial institutions,” including registered investment advisers and broker-dealers that have total consolidated assets of at least \$1 billion, and imposes substantive and procedural requirements on incentive-based compensation arrangements. The proposed rule remains pending and may be revised and re-proposed by the agencies in 2016 for additional notice and comment. The application of this rule to us could limit our ability to recruit and retain investment professionals and senior management executives.
- The Dodd-Frank Act, under what has become known as the “Volcker Rule,” generally prohibits depository institution holding companies (including foreign banks with U.S. branches and insurance companies with U.S. depository institution subsidiaries), insured depository institutions and subsidiaries and affiliates of such entities (collectively, “banking entities”) from investing in or sponsoring private equity funds or hedge funds. The Volcker Rule became effective as a matter of statute on July 21, 2012, but banking entities had a so-called “conformance period,” which ran until July 21, 2015, to wind down, sell, transfer or otherwise conform their investments and activities to the Volcker Rule, absent an

extension by the Federal Reserve or an exemption for certain “permitted activities.” On December 10, 2013, the Federal Reserve and other federal regulatory agencies issued final rules implementing the principal components of the Volcker Rule. For investments in and relationships with certain funds that were in place prior to December 31, 2013, the Federal Reserve announced its intent to give banking entities until July 21, 2017 to comply with the Volcker Rule. In addition, an extension of up to five years may be sought by banking entities for investments in certain illiquid funds. We do not currently anticipate that the Volcker Rule will adversely affect our fundraising to any significant extent.

Many of these provisions are subject to further rulemaking and to the discretion of regulatory bodies, such as the FSOC, the Federal Reserve and the SEC.

There has been increasing commentary amongst regulators and intergovernmental institutions, including the Financial Stability Board and International Monetary Fund, on the topic of so-called “shadow banking,” a term generally taken to refer to credit intermediation involving entities and activities outside the regulated banking system. While, at this stage, it is difficult to predict the scope of any new regulations, if regulators were to extend regulatory and supervisory requirements to certain sectors or funds of our business, such as capital and liquidity buffer requirements, currently applicable to banks, or if we are considered to be engaged in “shadow banking,” the regulatory and operating costs associated therewith could adversely impact the implementation of our business. In the United States:

- The process established by the Dodd-Frank Act for designation of systemically important non-bank firms has provided a means for ensuring that the perimeter of prudential regulation can be extended as appropriate to cover large shadow banking institutions. The Dodd-Frank Act established the Financial Stability Oversight Council (the “FSOC”), which is comprised of representatives of all the major U.S. financial regulators, to act as the financial system’s systemic risk regulator. The FSOC has the authority to review the activities of non-bank financial companies predominantly engaged in financial activities and designate those companies determined to be “systemically important” for supervision by the Federal Reserve. Such designation is applicable to companies where material distress could pose risk to the financial stability of the United States.
- On April 3, 2012, the FSOC issued a final rule and interpretive guidance regarding the process by which it will designate non-bank financial companies as systemically important. The final rule and interpretive guidance details a three-stage process, with the level of scrutiny increasing at each stage. Initially, the FSOC applies a broad set of uniform quantitative metrics to screen out financial companies that do not warrant additional review. The FSOC considers whether a company has at least \$50 billion in total consolidated assets and whether it meets other thresholds relating to credit default swaps outstanding, derivative liabilities, loans and bonds outstanding, a minimum leverage ratio of total consolidated assets (excluding separate accounts) to total equity of 15 to 1, and a short-term debt ratio of debt (with maturities less than 12 months) to total consolidated assets (excluding separate accounts) of 10%. A company that meets or exceeds both the asset threshold and one of the other thresholds will be subject to additional review. The review criteria could, and is expected to, evolve over time. While we believe it to be unlikely that we would be designated as systemically important, if such designation were to occur, we would be subject to significantly increased levels of regulation, which includes, without limitation, a requirement to adopt heightened standards relating to capital, leverage, liquidity, risk management, credit exposure reporting and concentration limits, restrictions on acquisitions and being subject to annual stress tests by the Federal Reserve. To date, the Federal Reserve has made designations of four non-bank companies as “systemically important” subject to Federal Reserve supervision, none of which included asset management firms or funds.
- On December 18, 2014, the FSOC released a notice seeking public comment on the potential risks posed by aspects of the asset management industry, including whether asset management products and activities may pose potential risks to the U.S. financial system in the areas of liquidity and redemptions, leverage, operational functions, and resolution, or in other areas.

- In connection with the work of the FSOC, on October 31, 2011, the SEC and the CFTC issued a joint final rule on systemic risk reporting designed to assist the FSOC in gathering information from many sectors of the financial system for monitoring risks. This final rule requires large private equity fund advisers, such as Blackstone, to submit reports, on Form PF, focusing primarily on the extent of leverage incurred by their funds' portfolio companies, the use of bridge financing and their funds' investments in financial institutions.

Rule 206(4)-5 under the Advisers Act regarding "pay to play" practices by investment advisers involving campaign contributions and other payments to government clients and elected officials able to exert influence on such clients prohibits investment advisers from providing advisory services for compensation to a government client for two years, subject to very limited exceptions, after the investment adviser, its senior executives or its personnel involved in soliciting investments from government entities make contributions to certain candidates and officials in position to influence the hiring of an investment adviser by such government client. Advisers are required to implement compliance policies designed, among other matters, to track contributions by certain of the adviser's employees and engagements of third parties that solicit government entities and to keep certain records in order to enable the SEC to determine compliance with the rule. Any failure on our part to comply with the rule could expose us to significant penalties and reputational damage. In addition, there have been similar rules on a state level regarding "pay to play" practices by investment advisers.

In June 2011, the Basel Committee on Banking Supervision, an international body comprised of senior representatives of bank supervisory authorities and central banks from 27 countries, including the United States, announced the final framework for a comprehensive set of capital and liquidity standards, commonly referred to as "Basel III," for internationally active banking organizations. These new standards, which will be fully phased in by 2019, will require banks to hold more capital, predominantly in the form of common equity, than under the current capital framework. Implementation of Basel III will require implementing regulations and guidelines by member states. In July 2013, the U.S. federal banking regulators announced the adoption of final regulations to implement Basel III for U.S. banking organizations, subject to various transition periods. Compliance with the Basel III standards may result in significant costs to banking organizations, which in turn may result in higher borrowing costs for the private sector, including our funds and portfolio companies, and reduced access to certain types of credit. See "— Changes in the debt financing markets could negatively impact the ability of our funds and their portfolio companies to obtain attractive financing or refinancing for their investments and could increase the cost of such financing if it is obtained, which could lead to lower-yielding investments and potentially decrease our net income." In the United States, regulations have been proposed by the federal banking agencies, but they remain pending.

In March 2013, the Federal Reserve and other U.S. federal banking agencies issued updated leveraged lending guidance covering transactions characterized by a degree of financial leverage. In November 2015, in connection with the banking agencies' most recent review of large credits under the Shared National Credit review, the agencies noted high credit risk and weaknesses related to leveraged lending and for loans related to oil and gas exploration, production and energy services. To the extent that such guidance limits the amount or cost of financing we are able to obtain for our transactions, the returns on our investments may suffer. In addition, in December 2015, the U.S. federal banking agencies issued a statement cautioning financial institutions on rising concentrations in commercial real estate and an easing of related underwriting standards.

In addition, in December 2015, the SEC proposed a new rule that would reduce the ability of registered investment companies to utilize derivatives and other instruments that could be deemed to leverage a fund's portfolio, which if adopted in its current form, may impact the ability of certain of our registered funds to continue pursuing certain aspects of their current investment strategies.

It is impossible to determine the full extent of the impact on us of the Dodd-Frank Act or any other new laws, regulations or initiatives that may be proposed or whether any of the proposals will become law. Any changes in the regulatory framework applicable to our business, including the changes described above, may impose additional costs on us, require the attention of our senior management or result in limitations on the manner in which we conduct our business. Moreover, as calls for additional regulation have increased, there may be a related increase in

regulatory investigations of the trading and other investment activities of alternative asset management funds, including our funds. Compliance with any new laws or regulations could make compliance more difficult and expensive, affect the manner in which we conduct our business and adversely affect our profitability.

Changes in U.S. and foreign tax law could adversely affect our ability to raise funds from certain foreign investors.

Under the U.S. Foreign Account Tax Compliance Act (“FATCA”), all entities in a broadly defined class of foreign financial institutions (“FFIs”) are required to comply with a complicated and expansive reporting regime or be subject to a 30% United States withholding tax on certain U.S. payments (and beginning in 2019, a 30% withholding tax on gross proceeds from the sale of U.S. stocks and securities) and non-U.S. entities which are not FFIs are required to either certify they have no substantial U.S. beneficial ownership or to report certain information with respect to their substantial U.S. beneficial ownership or be subject to a 30% U.S. withholding tax on certain U.S. payments (and beginning in 2019, a 30% withholding tax on gross proceeds from the sale of U.S. stocks and securities). The reporting obligations imposed under FATCA require FFIs to enter into agreements with the IRS to obtain and disclose information about certain investors to the IRS. In addition, the administrative and economic costs of compliance with FATCA may discourage some foreign investors from investing in U.S. funds, which could adversely affect our ability to raise funds from these investors. Other countries such as the United Kingdom and the Cayman Islands have implemented regimes similar to that of FATCA. Compliance with such regimes could result in increased administrative and compliance costs and could subject our investment entities to increased non-U.S. withholding taxes.

Recent regulatory changes in jurisdictions outside the United States could adversely affect our business.

Similar to the environment in the United States, the current environment in jurisdictions outside the United States in which we operate, in particular Europe, has become subject to further regulation. Governmental regulators and other authorities in Europe have proposed or implemented a number of initiatives and additional rules and regulations that could adversely affect our business.

The European Union Alternative Investment Fund Managers Directive (the “Directive”), as transposed into national law within the member states of the European Union (the “EU”), established a new regulatory regime for alternative investment fund managers, including private equity and hedge fund managers. It is intended that the Directive will apply in the additional member states of the European Economic Area (“EEA”), namely, Norway, Iceland and Liechtenstein, but to date the Directive has not yet been referenced in the Agreement on the European Economic Area (expected in 2016) (but for convenience we refer to the EEA). The Directive regulates managers established in or with a registered office in the EEA managing one or more alternative investments funds but it also impacts non EEA-based managers, such as our affiliates, when they market securities of alternative investment funds in the EEA. We have had to comply with certain requirements of the Directive in order to market our investment funds to professional investors in the EEA, including compliance with prescribed pre-investment disclosures, prescribed annual report disclosures, prescribed periodic reporting to regulators in respect of each fund marketed and asset-stripping restrictions in relation to the acquisition of non-listed companies or issuers established in the EEA (these restrictions prohibit certain distributions to shareholders for 24 months following closing of an acquisition). The Directive makes provision for member states to permit non-EEA managers to market funds to professional investors under national private placement rules, but there is no requirement for member states to operate or maintain a national private placement regime and, if they do, the member state is free to impose rules that are stricter than the minimum required. In some cases this has restricted our ability to market our investment funds, e.g., in those states that do not operate national private placement and/or impose such requirements that make it disproportionately burdensome to do so. It is possible that, from some future date, but not earlier than July 2019, we will be required to comply with the Directive in full in order to market our investment funds to professional investors in the EEA, and we may elect to comply at an earlier point in time (if that option should become available) in order to facilitate such marketing. In either case this would subject us to a number of additional requirements, including rules relating to the remuneration of certain personnel, certain capital requirements for alternative

investment fund managers, leverage oversight for each investment fund, liquidity management, and retention of depositaries for each investment fund. Compliance with the requirements of the Directive will impose additional compliance burdens and expense for us and could reduce our operating flexibility and fundraising opportunities.

Following the financial crisis the Financial Stability Board (“FSB”) has taken on an increasingly important role in promoting the reform of international financial regulation through coordinating national financial authorities and international standard-setting bodies in their development of regulatory, supervisory and financial sector policies.

One of the risks identified by the FSB to the stability of the financial system is credit intermediation (involving maturity and liquidity transformation) and/or a build-up of leverage by non-bank entities—so-called “shadow banking”. The FSB has proposed adoption of a two-pronged strategy to address financial stability risks in shadow banking: (a) create a monitoring framework to track developments in shadow banking; and (b) coordinate and contribute to the development of policies to strengthen oversight and regulation of shadow banking, focusing on measures to: (i) mitigate risks in banks’ interactions with shadow banking entities; (ii) reduce the susceptibility of money market funds to “runs”; (iii) improve transparency and align the incentives in securitization; (iv) dampen pro-cyclicality and other financial stability risks in securities financing transactions such as repos and securities lending; and (v) assess and mitigate financial stability risks posed by other shadow banking entities and activities.

In December 2015 (effective January 1, 2017), the European Banking Authority (“EBA”) produced guidelines to set appropriate aggregate limits to shadow banking entities when carrying out banking activities. While most alternative investment funds are excluded from the definition of “shadow banking entity,” funds that use leverage on a substantial basis at fund level or have certain third party lending exposures are within the definition. When dealing with shadow banking entities, the EEA financial institution would be required to implement additional effective processes (including with respect to due diligence) and set internal aggregate and individual limits to such exposures where they exceed 0.25% of the institution’s eligible capital. While the guidelines do not themselves introduce a quantitative limit to institutions’ exposures to shadow banking entities at the individual or aggregate exposure level, they place the responsibility on the banking sector to demonstrate that risks are managed effectively. Affected institutions will be required to set internal aggregate and individual limits to exposures to individual shadow banking entities which could limit or restrict the availability of credit and/or increase the cost of credit from these institutions for impacted funds.

Changes in tax laws by foreign jurisdictions could result from BEPS projects being undertaken by the OECD. The OECD, which represents a coalition of member countries, is contemplating changes to numerous international tax principles, including interest deductibility, transfer pricing, and eligibility for the benefits of double tax treaties. These contemplated changes, if adopted by individual countries, could increase tax uncertainty and/or costs faced by us, our portfolio companies and our investors, change our business model and cause other adverse consequences. The timing or impact of these proposals is unclear at this point. In addition, tax laws, regulations and interpretations are subject to continual changes, which could adversely affect our structures or returns to our investors. For instance, various countries have adopted or proposed tax legislation that may adversely affect portfolio companies and investment structures in countries in which our funds have invested and may limit the benefits of additional investments in those countries.

Our investment businesses are subject to the risk that similar measures might be introduced in other countries in which our funds currently have investments or plan to invest in the future, or that other legislative or regulatory measures that negatively affect their respective portfolio investments might be promulgated in any of the countries in which they invest. Blackstone’s non-U.S. advisory entities are, to the extent required, registered with the relevant regulatory authority of the jurisdiction in which the advisory entity is domiciled. In addition, we voluntarily participate in several transparency initiatives, including those organized by the Private Equity Growth Capital Council, the British Private Equity and Venture Capital Association and others calling for the reporting of information concerning companies in which certain of our funds have investments. The reporting related to such initiatives may divert the attention of our personnel and the management teams of our portfolio companies. Moreover, sensitive business information relating to us or our portfolio companies could be publicly released.

Our use of leverage to finance our business will expose us to substantial risks, which are exacerbated by our funds' use of leverage to finance investments.

We intend to use borrowings to finance our business operations as a public company. For example, in August 2009, we issued \$600 million of ten-year senior notes at a rate of 6.625% per annum, in September 2010, we issued \$400 million of ten-year senior notes at a rate of 5.875% per annum, in August 2012, we issued \$400 million of ten-year senior notes at a rate of 4.75% per annum and \$250 million of thirty-year senior notes at a rate of 6.25% per annum, in April 2014, we issued \$500 million of thirty-year senior notes at a rate of 5% per annum, in April 2015, we issued \$350 million of thirty-year senior notes at a rate of 4.45% per annum, and in May 2015, we issued €300 million of ten-year senior notes at a rate of 2% per annum. Borrowing to finance our businesses exposes us to the typical risks associated with the use of leverage, including those discussed below under “— Dependence on significant leverage in investments by our funds could adversely affect our ability to achieve attractive rates of return on those investments.” In order for us to utilize leverage to finance our business, we are dependent on financial institutions such as global banks extending credit to us on terms that are reasonable to us. There is no guarantee that such institutions will continue to extend credit to us or renew any existing credit agreements we may have with them, or that we will be able to refinance outstanding notes when they mature. We have a credit facility which provides for revolving credit borrowings that has a final maturity date of May 29, 2019. As borrowings under the facility or any other indebtedness mature, we may be required to either refinance them by entering into a new facility, which could result in higher borrowing costs, or by issuing equity, which would dilute existing unitholders. We could also repay them by using cash on hand, cash provided by our continuing operations or cash from the sale of our assets, which could reduce distributions to our unitholders. We could have difficulty entering into new facilities or issuing equity in the future on attractive terms, or at all. These risks are exacerbated by our funds' use of leverage to finance investments.

We are subject to substantial litigation risks and may face significant liabilities and damage to our professional reputation as a result of litigation allegations and negative publicity.

In recent years, the volume of claims and amount of damages claimed in litigation and regulatory proceedings against the financial services industry in general have been increasing. The investment decisions we make in our asset management business and the activities of our investment professionals on behalf of portfolio companies of our carry funds may subject the companies, funds and us to the risk of third party litigation arising from investor dissatisfaction with the performance of those investment funds, alleged conflicts of interest, the activities of our portfolio companies and a variety of other litigation claims. From time to time we, our funds and our portfolio companies have been and may be subject to class action suits by shareholders in public companies that we have agreed to acquire that challenge our acquisition transactions and/or attempt to enjoin them. Please see “Item 3. Legal Proceedings” below for additional information.

In addition, to the extent investors in our investment funds suffer losses resulting from fraud, gross negligence, willful misconduct or other similar misconduct, investors may have remedies against us, our investment funds, our senior managing directors or our affiliates under the federal securities law and/or state law. While the general partners and investment advisers to our investment funds, including their directors, officers, other employees and affiliates, are generally indemnified to the fullest extent permitted by law with respect to their conduct in connection with the management of the business and affairs of our investment funds, such indemnity does not extend to actions determined to have involved fraud, gross negligence, willful misconduct or other similar misconduct.

The activities of our capital markets services business may also subject us to the risk of liabilities to our clients and third parties, including our clients' stockholders, under securities or other laws in connection with transactions in which we participate.

In addition, our plan, to the extent that market conditions permit, is to continue to grow our investment businesses and expand into new investment strategies, geographic markets, businesses and distribution channels, including the retail channel. To the extent we distribute products through new channels, including through

unaffiliated firms, we may not be able to effectively monitor or control the manner of their distribution, which could result in litigation against us, including with respect to, among other things, claims that products distributed through such channels are distributed to customers for whom they are unsuitable or distributed in any other inappropriate manner. In addition, the distribution of products through new channels whether directly or through market intermediaries, including in the retail channel, could expose us to additional regulatory risk in the form of allegations of improper conduct and/or actions by state and federal regulators against us with respect to, among other things, product suitability, conflicts of interest and the adequacy of disclosure to customers to whom our products are distributed through those channels.

If any private lawsuits or regulatory actions were brought against us and resulted in a finding of substantial legal liability, it could materially adversely affect our business, financial condition or results of operations or cause significant reputational harm to us, which could seriously harm our business. We depend to a large extent on our business relationships and our reputation for integrity and high-caliber professional services to attract and retain investors and to pursue investment opportunities for our carry funds. As a result, allegations of improper conduct by private litigants or regulators, whether the ultimate outcome is favorable or unfavorable to us, as well as negative publicity and press speculation about us, our investment activities, our new lines of business or distribution channels, or the private equity industry in general, whether or not valid, may harm our reputation, which may be more damaging to our business than to other types of businesses.

Employee misconduct could harm us by impairing our ability to attract and retain clients and subjecting us to significant legal liability and reputational harm. Fraud and other deceptive practices or other misconduct at our portfolio companies could similarly subject us to liability and reputational damage and also harm performance.

There is a risk that our employees could engage in misconduct that adversely affects our business. We are subject to a number of obligations and standards arising from our asset management business and our authority over the assets managed by our asset management business. The violation of these obligations and standards by any of our employees would adversely affect our clients and us. Our business often requires that we deal with confidential matters of great significance to companies in which we may invest. If our employees were improperly to use or disclose confidential information, we could suffer serious harm to our reputation, financial position and current and future business relationships. It is not always possible to detect or deter employee misconduct, and the extensive precautions we take to detect and prevent this activity may not be effective in all cases. If one of our employees were to engage in misconduct or were to be accused of such misconduct, our business and our reputation could be adversely affected.

In recent years, the U.S. Department of Justice and the U.S. Securities and Exchange Commission have devoted greater resources to enforcement of the Foreign Corrupt Practices Act (“FCPA”). In addition, the United Kingdom has recently significantly expanded the reach of its anti-bribery laws. While we have developed and implemented policies and procedures designed to ensure strict compliance by us and our personnel with the FCPA, such policies and procedures may not be effective in all instances to prevent violations. Any determination that we have violated the FCPA, the UK anti-bribery laws or other applicable anti-corruption laws could subject us to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect our business prospects, financial position or the market value of our common units.

In addition, we may also be adversely affected if there is misconduct by personnel of portfolio companies in which our funds invest. For example, financial fraud or other deceptive practices at our portfolio companies, or failures by personnel at our portfolio companies to comply with anti-bribery, trade sanctions or other legal and regulatory requirements, could cause significant reputational and business harm to us. Such misconduct may undermine our due diligence efforts with respect to such portfolio companies and could negatively affect the valuations of the investments by our funds in such portfolio companies. In addition, we may face an increased risk of such misconduct to the extent our investment in non-U.S. markets, particularly emerging markets, increases.

Poor performance of our investment funds would cause a decline in our revenue, income and cash flow, may obligate us to repay carried interest previously paid to us, and could adversely affect our ability to raise capital for future investment funds.

In the event that any of our investment funds were to perform poorly, our revenue, income and cash flow would decline because the value of our assets under management would decrease, which would result in a reduction in management fees, and our investment returns would decrease, resulting in a reduction in the carried interest and incentive fees we earn. Moreover, we could experience losses on our investments of our own principal as a result of poor investment performance by our investment funds. Furthermore, if, as a result of poor performance of later investments in a carry fund's life, the fund does not achieve certain investment returns for the fund over its life, we will be obligated to repay the amount by which carried interest that was previously distributed to us exceeds amounts to which we are ultimately entitled.

Poor performance of our investment funds could make it more difficult for us to raise new capital. Investors in carry funds might decline to invest in future investment funds we raise and investors in hedge funds or other investment funds might withdraw their investments as a result of poor performance of the investment funds in which they are invested. Investors and potential investors in our funds continually assess our investment funds' performance, and our ability to raise capital for existing and future investment funds and avoid excessive redemption levels will depend on our investment funds' continued satisfactory performance. Accordingly, poor fund performance may deter future investment in our funds and thereby decrease the capital invested in our funds and ultimately, our management fee revenue. Alternatively, in the face of poor fund performance, investors could demand lower fees or fee concessions for existing or future funds which would likewise decrease our revenue. A significant number of fund sponsors have recently decreased the amount of fees they charged investors for managing existing or successor funds as a direct result of poor fund performance.

Our asset management business depends in large part on our ability to raise capital from third party investors. If we are unable to raise capital from third party investors, we would be unable to collect management fees or deploy their capital into investments and potentially collect transaction fees or carried interest, which would materially reduce our revenue and cash flow and adversely affect our financial condition.

Our ability to raise capital from third party investors depends on a number of factors, including certain factors that are outside our control. Certain factors, such as the performance of the stock market or the asset allocation rules or regulations or investment policies to which such third party investors are subject, could inhibit or restrict the ability of third party investors to make investments in our investment funds or the asset classes in which our investment funds invest. For example, during 2008 and 2009, many third party investors that invest in alternative assets and have historically invested in our investment funds experienced significant volatility in valuations of their investment portfolios, including a significant decline in the value of their overall private equity, real estate, venture capital and hedge fund portfolios, which affected our ability to raise capital from them. Coupled with a lack of realizations during that period from their existing private equity and real estate portfolios, many of these investors were left with disproportionately outsized remaining commitments to a number of investment funds, which significantly limited their ability to make new commitments to third party managed investment funds such as those managed by us. Our ability to raise new funds could similarly be hampered if the general appeal of private equity and alternative investments were to decline. An investment in a limited partner interest in a private equity fund is more illiquid and the returns on such investment may be more volatile than an investment in securities for which there is a more active and transparent market. Private equity and alternative investments could fall into disfavor as a result of concerns about liquidity and short-term performance. Such concerns could be exhibited, in particular, by public pension funds, which have historically been among the largest investors in alternative assets. Many public pension funds are significantly underfunded and their funding problems have been, and may in the future be, exacerbated by economic downturn. Concerns with liquidity could cause such public pension funds to reevaluate the appropriateness of alternative investments. Although the amount of commitments investors are making to alternative investment funds has increased in recent years, there is no assurance that this will continue or that our ability to raise capital from investors will not be hampered.

In addition, certain institutional investors, including sovereign wealth funds and public pension funds, have demonstrated an increased preference for alternatives to the traditional investment fund structure, such as managed accounts, smaller funds and co-investment vehicles. There can be no assurance that such alternatives will be as profitable for us as the traditional investment fund structure, or as to the impact such a trend could have on the cost of our operations or profitability if we were to implement these alternative investment structures. Moreover, certain institutional investors are demonstrating a preference to in-source their own investment professionals and to make direct investments in alternative assets without the assistance of private equity advisers like us. Such institutional investors may become our competitors and could cease to be our clients. As some existing investors cease or significantly curtail making commitments to alternative investment funds, we may need to identify and attract new investors in order to maintain or increase the size of our investment funds. Our recent and planned business initiatives include offering registered investment products and the creation of investment products open to retail investors. There are no assurances that we can find or secure commitments from those new investors. If economic conditions were to deteriorate or if we are unable to find new investors, we might raise less than our desired amount for a given fund. Further, as we seek to expand into other asset classes, we may be unable to raise a sufficient amount of capital to adequately support such businesses. If we are unable to successfully raise capital, it could materially reduce our revenue and cash flow and adversely affect our financial condition.

In addition, in connection with raising new funds or making further investments in existing funds, we negotiate terms for such funds and investments with existing and potential investors. The outcome of such negotiations could result in our agreement to terms that are materially less favorable to us than for prior funds we have managed or funds managed by our competitors. Such terms could restrict our ability to raise investment funds with investment objectives or strategies that compete with existing funds, add additional expenses and obligations for us in managing the fund or increase our potential liabilities, all of which could ultimately reduce our revenues. In addition, certain institutional investors have publicly criticized certain fund fee and expense structures, including management fees and transaction and advisory fees. Although we have no obligation to modify any of our fees with respect to our existing funds, we may experience pressure to do so in our funds. For example, we have confronted and expect to continue to confront requests from a variety of investors and groups representing investors to decrease fees, which could result in a reduction in the fees and carried interest and incentive fees we earn.

Valuation methodologies for certain assets in our funds can be subject to significant subjectivity and the fair value of assets established pursuant to such methodologies may never be realized, which could result in significant losses for our funds.

There are often no readily ascertainable market prices for illiquid investments in our private equity, real estate and certain of our credit-focused funds. We determine the value of the investments of each of our private equity, real estate and credit-focused funds at least quarterly based on the fair value of such investments. The fair value of investments of a private equity, real estate or credit-focused fund is generally determined using several methodologies described in the investment funds' valuation policies.

Investments for which market prices are not observable include private investments in the equity of operating companies or real estate properties. Fair values of such investments are determined by reference to projected net earnings, earnings before interest, taxes, depreciation and amortization ("EBITDA"), the discounted cash flow method, public market or private transactions, valuations for comparable companies and other measures which, in many cases, are unaudited at the time received. In determining fair values of real estate investments, we also consider projected operating cash flows, sales of comparable assets, if any, replacement costs and capitalization rates ("cap rates") analyses. Valuations may be derived by reference to observable valuation measures for comparable companies or assets (for example, multiplying a key performance metric of the investee company or asset, such as EBITDA, by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods. Additionally, where applicable, projected distributable cash flow through debt maturity will also be considered in support of the investment's carrying value. In determining fair values of exploration and production (E&P) investments within the energy

sector, we consider the following: projected operating cash flows resulting from the utilization of third-party analysis of the reserve quantities, which may from time to time be adjusted for management's view, combined with the forward strip price for the specific commodity in the near-term, Blackstone Energy Partner's long-term view of the commodity price in the outer years, sales of comparable assets, and replacement costs. Valuations may be derived by reference to observable valuation measures for comparable companies or assets (for example, multiplying a key performance metric of the investee company or asset, such as barrel of oil equivalent, or BOE, by a relevant reserve metric observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to other similar methods. Additionally, where applicable, given the structured nature of some of the preferred securities, projected distributable cash flow through maturity or other triggering events will also be considered in support of the investment's carrying value. These valuation methodologies involve a significant degree of management judgment.

In certain cases debt and equity securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments.

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. For example, as to investments that we share with another sponsor, we may apply a different valuation methodology than the other sponsor does or derive a different value than the other sponsor has derived on the same investment. These differences might cause some investors to question our valuations.

Because there is significant uncertainty in the valuation of, or in the stability of the value of illiquid investments, the fair values of such investments as reflected in an investment fund's net asset value do not necessarily reflect the prices that would actually be obtained by us on behalf of the investment fund when such investments are realized. Realizations at values significantly lower than the values at which investments have been reflected in prior fund net asset values would result in losses for the applicable fund, a decline in asset management fees and the loss of potential carried interest and incentive fees. Changes in values attributed to investments from quarter to quarter may result in volatility in the net asset values and results of operations and cash flow that we report from period to period. Also, a situation where asset values turn out to be materially different than values reflected in prior fund net asset values could cause investors to lose confidence in us, which would in turn result in difficulty in raising additional funds or redemptions from our hedge funds.

The historical returns attributable to our funds should not be considered as indicative of the future results of our funds or of our future results or of any returns expected on an investment in our common units.

The historical and potential future returns of the investment funds that we manage are not directly linked to returns on our common units. Therefore, any continued positive performance of the investment funds that we manage will not necessarily result in positive returns on an investment in our common units. However, poor performance of the investment funds that we manage would cause a decline in our revenue from such investment funds, and would therefore have a negative effect on our performance and in all likelihood the returns on an investment in our common units.

Moreover, with respect to the historical returns of our investment funds:

- we may create new funds in the future that reflect a different asset mix and different investment strategies, as well as a varied geographic and industry exposure as compared to our present funds, and any such new funds could have different returns from our existing or previous funds,

- as the global markets rebounded from the financial crisis in recent years, market conditions were largely favorable, which helped to generate positive performance, particularly in our private equity and real estate businesses, although there can be no assurance that such conditions will repeat or that our current or future investment funds will avail themselves of comparable market conditions,
- the rates of returns of our carry funds reflect unrealized gains as of the applicable measurement date that may never be realized, which may adversely affect the ultimate value realized from those funds' investments,
- the rates of returns of our BCP and BREP funds in some years were positively influenced by a number of investments that experienced rapid and substantial increases in value following the dates on which those investments were made, which may not occur with respect to future investments,
- in recent years, there has been increased competition for private equity investment opportunities resulting from, among other things, the increased amount of capital invested in alternative investment funds,
- our investment funds' returns in some years benefited from investment opportunities and general market conditions that may not repeat themselves, our current or future investment funds might not be able to avail themselves of comparable investment opportunities or market conditions, and the circumstances under which our current or future funds may make future investments may differ significantly from those conditions prevailing in the past,
- newly established funds may generate lower returns during the period in which they initially deploy their capital, and
- the rates of return reflect our historical cost structure, which may vary in the future due to various factors enumerated elsewhere in this report and other factors beyond our control, including changes in laws.

The future internal rate of return for any current or future fund may vary considerably from the historical internal rate of return generated by any particular fund, or for our funds as a whole. In addition, future returns will be affected by the applicable risks described elsewhere in this Form 10-K, including risks of the industries and businesses in which a particular fund invests.

Dependence on significant leverage in investments by our funds could adversely affect our ability to achieve attractive rates of return on those investments.

Many of our carry funds' investments rely heavily on the use of leverage, and our ability to achieve attractive rates of return on investments will depend on our ability to access sufficient sources of indebtedness at attractive rates. For example, in many private equity investments, indebtedness may constitute as much as 70% or more of a portfolio company's or real estate asset's total debt and equity capitalization, including debt that may be incurred in connection with the investment. The absence of available sources of sufficient senior debt financing for extended periods of time could therefore materially and adversely affect our private equity and real estate businesses. In addition, in March 2013, the Federal Reserve and other U.S. federal banking agencies issued updated leveraged lending guidance covering transactions characterized by a degree of financial leverage. Such guidance may limit the amount or cost of financing we are able to obtain for our transactions, and as a result, the returns on our investments may suffer. See "— Regulatory changes in the United States could adversely affect our business."

In addition, an increase in either the general levels of interest rates or in the risk spread demanded by sources of indebtedness would make it more expensive to finance those businesses' investments. Increases in interest rates could also make it more difficult to locate and consummate private equity investments because other potential buyers, including operating companies acting as strategic buyers, may be able to bid for an asset at a higher price due to a lower overall cost of capital or their ability to benefit from a higher amount of cost savings following the acquisition of the asset. In addition, a portion of the indebtedness used to finance private equity investments often includes high-yield debt securities issued in the capital markets. Availability of capital from the high-yield debt markets is subject to significant volatility, and there may be times when we might not be able to access those markets at attractive rates, or at all, when completing an investment.

Investments in highly leveraged entities are inherently more sensitive to declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. The incurrence of a significant amount of indebtedness by an entity could, among other things:

- give rise to an obligation to make mandatory pre-payments of debt using excess cash flow, which might limit the entity's ability to respond to changing industry conditions to the extent additional cash is needed for the response, to make unplanned but necessary capital expenditures or to take advantage of growth opportunities,
- limit the entity's ability to adjust to changing market conditions, thereby placing it at a competitive disadvantage compared to its competitors who have relatively less debt,
- allow even moderate reductions in operating cash flow to render it unable to service its indebtedness, leading to a bankruptcy or other reorganization of the entity and a loss of part or all of the equity investment in it,
- limit the entity's ability to engage in strategic acquisitions that might be necessary to generate attractive returns or further growth, and
- limit the entity's ability to obtain additional financing or increase the cost of obtaining such financing, including for capital expenditures, working capital or general corporate purposes.

As a result, the risk of loss associated with a leveraged entity is generally greater than for companies with comparatively less debt. For example, many investments consummated by private equity sponsors during 2005, 2006 and 2007 that utilized significant amounts of leverage subsequently experienced severe economic stress and, in certain cases, defaulted on their debt obligations due to a decrease in revenues and cash flow precipitated by the subsequent economic downturn during 2008 and 2009.

When our BCP and BREP funds' existing portfolio investments reach the point when debt incurred to finance those investments mature in significant amounts and must be either repaid or refinanced, those investments may materially suffer if they have generated insufficient cash flow to repay maturing debt and there is insufficient capacity and availability in the financing markets to permit them to refinance maturing debt on satisfactory terms, or at all. If a limited availability of financing for such purposes were to persist for an extended period of time, when significant amounts of the debt incurred to finance our private equity and real estate funds' existing portfolio investments came due, these funds could be materially and adversely affected.

Many of the hedge funds in which our funds of hedge funds invest and our credit-focused funds, CLOs and CDOs may choose to use leverage as part of their respective investment programs and regularly borrow a substantial amount of their capital. The use of leverage poses a significant degree of risk and enhances the possibility of a significant loss in the value of the investment portfolio. A fund may borrow money from time to time to purchase or carry securities or may enter into derivative transactions (such as total return swaps) with counterparties that have embedded leverage. The interest expense and other costs incurred in connection with such borrowing may not be recovered by appreciation in the securities purchased or carried and will be lost — and the timing and magnitude of such losses may be accelerated or exacerbated — in the event of a decline in the market value of such securities. Gains realized with borrowed funds may cause the fund's net asset value to increase at a faster rate than would be the case without borrowings. However, if investment results fail to cover the cost of borrowings, the fund's net asset value could also decrease faster than if there had been no borrowings.

Increases in interest rates could also decrease the value of fixed-rate debt investments that our investment funds make.

Any of the foregoing circumstances could have a material adverse effect on our financial condition, results of operations and cash flow.

The asset management business is intensely competitive.

The asset management business is intensely competitive, with competition based on a variety of factors, including investment performance, the quality of service provided to clients, investor liquidity and willingness to invest, fund terms (including fees), brand recognition and business reputation. Our asset management business competes with a number of private equity funds, specialized investment funds, hedge funds, funds of hedge funds and other sponsors managing pools of capital, as well as corporate buyers, traditional asset managers, commercial banks, investment banks and other financial institutions (including sovereign wealth funds), and we expect that competition will continue to increase. A number of factors serve to increase our competitive risks:

- a number of our competitors in some of our businesses have greater financial, technical, marketing and other resources and more personnel than we do,
- some of our funds may not perform as well as competitors' funds or other available investment products,
- several of our competitors have significant amounts of capital, and many of them have similar investment objectives to ours, which may create additional competition for investment opportunities and may reduce the size and duration of pricing inefficiencies that many alternative investment strategies seek to exploit,
- some of these competitors may also have a lower cost of capital and access to funding sources that are not available to us, which may create competitive disadvantages for us with respect to investment opportunities,
- some of our competitors may be subject to less regulation and accordingly may have more flexibility to undertake and execute certain businesses or investments than we can and/or bear less compliance expense than we do,
- some of our competitors may have more flexibility than us in raising certain types of investment funds under the investment management contracts they have negotiated with their investors,
- some of our competitors may have higher risk tolerances, different risk assessments or lower return thresholds, which could allow them to consider a wider variety of investments and to bid more aggressively than us for investments that we want to make,
- there are relatively few barriers to entry impeding new alternative asset fund management firms, and the successful efforts of new entrants into our various businesses, including former "star" portfolio managers at large diversified financial institutions as well as such institutions themselves, is expected to continue to result in increased competition,
- some of our competitors may have better expertise or be regarded by investors as having better expertise in a specific asset class or geographic region than we do,
- our competitors that are corporate buyers may be able to achieve synergistic cost savings in respect of an investment, which may provide them with a competitive advantage in bidding for an investment,
- some investors may prefer to invest with an investment manager that is not publicly traded or is smaller with only one or two investment products that it manages, and
- other industry participants will from time to time seek to recruit our investment professionals and other employees away from us.

We may lose investment opportunities in the future if we do not match investment prices, structures and terms offered by competitors. Alternatively, we may experience decreased rates of return and increased risks of loss if we match investment prices, structures and terms offered by competitors. Moreover, if we are forced to compete with other alternative asset managers on the basis of price, we may not be able to maintain our current fund fee and carried interest terms. We have historically competed primarily on the performance of our funds, and not on the level of our fees or carried interest relative to those of our competitors. However, there is a risk that fees and carried interest in the alternative investment management industry will decline, without regard to the historical performance of a manager. Fee or carried interest income reductions on existing or future funds, without corresponding decreases in our cost structure, would adversely affect our revenues and profitability.

In addition, the attractiveness of our investment funds relative to investments in other investment products could decrease depending on economic conditions. This competitive pressure could adversely affect our ability to make successful investments and limit our ability to raise future investment funds, either of which would adversely impact our business, revenue, results of operations and cash flow.

The due diligence process that we undertake in connection with investments by our investment funds may not reveal all facts that may be relevant in connection with an investment.

Before making investments in private equity and other investments, we conduct due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence, we may be required to evaluate important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisers, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of investment. Nevertheless, when conducting due diligence and making an assessment regarding an investment, we rely on the resources available to us, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence investigation that we will carry out with respect to any investment opportunity may not reveal or highlight all relevant facts (including fraud) that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful.

In connection with the due diligence that our funds of hedge funds conduct in making and monitoring investments in third party hedge funds, we rely on information supplied by third party hedge funds or by service providers to such third party hedge funds. The information we receive from them may not be accurate or complete and therefore we may not have all the relevant facts necessary to properly assess and monitor our funds' investment in a particular hedge fund.

Our asset management activities involve investments in relatively high-risk, illiquid assets, and we may fail to realize any profits from these activities for a considerable period of time or lose some or all of our principal investments.

Many of our investment funds invest in securities that are not publicly traded. In many cases, our investment funds may be prohibited by contract or by applicable securities laws from selling such securities for a period of time. Our investment funds will generally not be able to sell these securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration is available. The ability of many of our investment funds, particularly our BCP funds, to dispose of investments is heavily dependent on the public equity markets. For example, the ability to realize any value from an investment may depend upon the ability to complete an initial public offering of the portfolio company in which such investment is held. Even if the securities are publicly traded, large holdings of securities can often be disposed of only over a substantial length of time, exposing the investment returns to risks of downward movement in market prices during the intended disposition period. Moreover, because the investment strategy of many of our funds, particularly our private equity funds, often entails our having representation on our funds' public portfolio company boards, our funds may be restricted in their ability to effect such sales during certain time periods. Accordingly, under certain conditions, our investment funds may be forced to either sell securities at lower prices than they had expected to realize or defer — potentially for a considerable period of time — sales that they had planned to make. We have made and expect to continue to make significant principal investments in our current and future investment funds. Contributing capital to these investment funds is risky, and we may lose some or the entire principal amount of our investments.

We have engaged in large-sized investments, which involve certain complexities and risks that are not encountered in small- and medium-sized investments.

Our BCP and BREP funds have invested and plan to continue to invest in large transactions. The size of these investments involves certain complexities and risks that are not encountered in small- and medium-sized

investments. For example, larger transactions may be more difficult to finance, and exiting larger deals may present challenges in many cases. In addition, larger transactions may entail greater scrutiny by regulators, labor unions and other third parties.

Larger transactions may be structured as “consortium transactions” due to the size of the investment and the amount of capital required to be invested. A consortium transaction involves an equity investment in which two or more private equity firms serve together or collectively as equity sponsors. We participated in a significant number of consortium transactions in prior years due to the increased size of many of the transactions in which we were involved. Consortium transactions generally entail a reduced level of control by Blackstone over the investment because governance rights must be shared with the other private equity investors. Accordingly, we may not be able to control decisions relating to the investment, including decisions relating to the management and operation of the company and the timing and nature of any exit, which could result in the risks described in “— Our investment funds make investments in companies that we do not control.”

Any of these factors could increase the risk that our larger investments could be less successful. The consequences to our investment funds of an unsuccessful larger investment could be more severe given the size of the investment.

We often pursue investment opportunities that involve business, regulatory, legal or other complexities.

As an element of our investment style, we may pursue unusually complex investment opportunities. This can often take the form of substantial business, regulatory or legal complexity that would deter other investment managers. Our tolerance for complexity presents risks, as such transactions can be more difficult, expensive and time-consuming to finance and execute; it can be more difficult to manage or realize value from the assets acquired in such transactions; and such transactions sometimes entail a higher level of regulatory scrutiny or a greater risk of contingent liabilities. Any of these risks could harm the performance of our funds.

Our investment funds make investments in companies that we do not control.

Investments by most of our investment funds will include debt instruments and equity securities of companies that we do not control. Such instruments and securities may be acquired by our investment funds through trading activities or through purchases of securities from the issuer. In addition, our private equity and real estate funds may acquire minority equity interests (particularly in consortium transactions, as described in “— We have engaged in large-sized investments, which involve certain complexities and risks that are not encountered in small- and medium-sized investments”) and may also dispose of a portion of their majority equity investments in portfolio companies over time in a manner that results in the investment funds retaining a minority investment. Those investments will be subject to the risk that the company in which the investment is made may make business, financial or management decisions with which we do not agree or that the majority stakeholders or the management of the company may take risks or otherwise act in a manner that does not serve our interests. If any of the foregoing were to occur, the values of investments by our investment funds could decrease and our financial condition, results of operations and cash flow could suffer as a result.

We expect to make investments in companies that are based outside of the United States, which may expose us to additional risks not typically associated with investing in companies that are based in the United States.

Many of our investment funds generally invest a significant portion of their assets in the equity, debt, loans or other securities of issuers located outside the United States, and we expect that international investments will increase as a proportion of certain of our funds’ portfolios in the future. Investments in non-U.S. securities involve certain factors not typically associated with investing in U.S. securities, including risks relating to:

- currency exchange matters, including fluctuations in currency exchange rates and costs associated with conversion of investment principal and income from one currency into another,

- less developed or efficient financial markets than in the United States, which may lead to potential price volatility and relative illiquidity,
- the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation,
- changes in laws or clarifications to existing laws that could impact our tax treaty positions, which could adversely impact the returns on our investments,
- a less developed legal or regulatory environment, differences in the legal and regulatory environment or enhanced legal and regulatory compliance,
- heightened exposure to corruption risk in non-U.S. markets,
- political hostility to investments by foreign or private equity investors,
- reliance on a more limited number of commodity inputs, service providers and/or distribution mechanisms,
- higher rates of inflation,
- higher transaction costs,
- difficulty in enforcing contractual obligations,
- fewer investor protections and less publicly available information in respect of companies in non-U.S. markets,
- certain economic and political risks, including potential exchange control regulations and restrictions on our non-U.S. investments and repatriation of profits on investments or of capital invested, the risks of political, economic or social instability, the possibility of expropriation or confiscatory taxation and adverse economic and political developments, and
- the possible imposition of non-U.S. taxes or withholding on income and gains recognized with respect to such securities.

There can be no assurance that adverse developments with respect to such risks will not adversely affect our assets that are held in certain countries or the returns from these assets.

We may not have sufficient cash to pay back “clawback” obligations if and when they are triggered under the governing agreements with our investors.

If, at the end of the life of a carry fund (or earlier with respect to certain of our real estate funds, real estate debt funds and certain multi-asset class and/or opportunistic investment funds), as a result of diminished performance of later investments in any carry fund’s life, the carry fund has not achieved investment returns that (in most cases) exceed the preferred return threshold or (in all cases) the general partner receives in excess of 20% (10% to 15% in the case of certain of our credit-focused and real estate debt carry funds, certain of our secondary funds of funds and certain multi-asset class investment funds) the fund’s net profits over the life of the fund, we will be obligated to repay an amount equal to the extent to which carried interest that was previously distributed to us exceeds the amounts to which we are ultimately entitled on an after tax basis. This obligation is known as a clawback obligation and is an obligation of any person who directly received such carried interest, including us and our employees who participate in our carried interest plans. Although a portion of any distributions by us to our unitholders may include any carried interest received by us, we do not intend to seek fulfillment of any clawback obligation by seeking to have our unitholders return any portion of such distributions attributable to carried interest associated with any clawback obligation. To the extent we are required to fulfill a clawback obligation, however, our general partner may determine to decrease the amount of our distributions to common unitholders. The clawback obligation operates with respect to a given carry fund’s own net investment performance only and performance of other funds are not netted for determining this contingent obligation.

Adverse economic conditions may increase the likelihood that one or more of our carry funds may be subject to clawback obligations upon the end of their respective lives (or earlier with respect to certain of our real estate funds, real estate debt funds and certain multi-asset class and/or opportunistic investment funds). To the extent one or more clawback obligations were to occur for any one or more carry funds, we might not have available cash at the time such clawback obligation is triggered to repay the carried interest and satisfy such obligation. If we were unable to repay such carried interest, we would be in breach of the governing agreements with our investors and could be subject to liability. Moreover, although a clawback obligation is several, the governing agreements of most of our funds provide that to the extent another recipient of carried interest (such as a current or former employee) does not fund his or her respective share, then we and our employees who participate in such carried interest plans may have to fund additional amounts (generally an additional 50-67%) beyond what we actually received in carried interest, although we retain the right to pursue any remedies that we have under such governing agreements against those carried interest recipients who fail to fund their obligations.

Investments by our investment funds will in most cases rank junior to investments made by others.

In most cases, the companies in which our investment funds invest will have indebtedness or equity securities, or may be permitted to incur indebtedness or to issue equity securities, that rank senior to our investment. By their terms, such instruments may provide that their holders are entitled to receive payments of dividends, interest or principal on or before the dates on which payments are to be made in respect of our investment. Also, in the event of insolvency, liquidation, dissolution, reorganization or bankruptcy of a company in which an investment is made, holders of securities ranking senior to our investment would typically be entitled to receive payment in full before distributions could be made in respect of our investment. After repaying senior security holders, the company may not have any remaining assets to use for repaying amounts owed in respect of our investment. To the extent that any assets remain, holders of claims that rank equally with our investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets. Also, during periods of financial distress or following an insolvency, the ability of our investment funds to influence a company's affairs and to take actions to protect their investments may be substantially less than that of the senior creditors.

Investors in our hedge funds may redeem their investments in these funds. In addition, the investment management agreements related to our separately managed accounts may permit the investor to terminate our management of such account on short notice. Lastly, investors in our other investment funds have the right to cause these investment funds to be dissolved. Any of these events would lead to a decrease in our revenues, which could be substantial.

Investors in our hedge funds may generally redeem their investments on an annual, semi-annual or quarterly basis following the expiration of a specified period of time when capital may not be withdrawn, subject to the applicable fund's specific redemption provisions. In a declining market, many hedge funds, including some of our hedge funds, may experience declines in value, and the pace of redemptions and consequent reduction in our assets under management could accelerate. Such declines in value may be both provoked and exacerbated by margin calls and forced selling of assets. To the extent appropriate and permissible under a fund's constituent documents, we may limit or suspend redemptions during a redemption period, which may have a reputational impact on us. See "— Hedge fund investments are subject to numerous additional risks." The decrease in revenues that would result from significant redemptions in our hedge funds could have a material adverse effect on our business, revenues, net income and cash flows.

We currently manage a significant portion of investor assets through separately managed accounts whereby we earn management and incentive fees, and we intend to continue to seek additional separately managed account mandates. The investment management agreements we enter into in connection with managing separately managed accounts on behalf of certain clients may be terminated by such clients on as little as 30 days' prior written notice. In addition, the boards of directors of the investment management companies we manage, or the adviser in respect of the registered business development company we sub-advise, could terminate our advisory engagement of those

companies, on as little as 30 days' prior written notice. In the case of any such terminations, the management and incentive fees we earn in connection with managing such account or company would immediately cease, which could result in a significant adverse impact on our revenues.

The governing agreements of all of our investment funds (with the exception of certain of our funds of hedge funds) provide that, subject to certain conditions, third party investors in those funds will have the right to remove the general partner of the fund or to accelerate the liquidation date of the investment fund without cause by a simple majority vote, resulting in a reduction in management fees we would earn from such investment funds and a significant reduction in the amounts of total carried interest and incentive fees from those funds. Carried interest and incentive fees could be significantly reduced as a result of our inability to maximize the value of investments by an investment fund during the liquidation process or in the event of the triggering of a "clawback" obligation. Finally, the applicable funds would cease to exist. In addition, the governing agreements of our investment funds provide that in the event certain "key persons" in our investment funds do not meet specified time commitments with regard to managing the fund, then investors in certain funds have the right to vote to terminate the investment period by a specified percentage (including, in certain cases, a simple majority) vote in accordance with specified procedures, accelerate the withdrawal of their capital on an investor-by-investor basis, or the fund's investment period will automatically terminate and the vote of a simple majority of investors is required to restart it. In addition, the governing agreements of some of our investment funds provide that investors have the right to terminate, for any reason, the investment period by a vote of 75% of the investors in such fund. In addition to having a significant negative impact on our revenue, net income and cash flow, the occurrence of such an event with respect to any of our investment funds would likely result in significant reputational damage to us.

In addition, because all of our investment funds have advisers that are registered under the Advisers Act, the management agreements of all of our investment funds would be terminated upon an "assignment," without investor consent, of these agreements, which may be deemed to occur in the event these advisers were to experience a change of control. We cannot be certain that consents required for assignments of our investment management agreements will be obtained if a change of control occurs. In addition, with respect to our 1940 Act registered funds, each investment fund's investment management agreement must be approved annually by the independent members of such investment fund's board of directors and, in certain cases, by its stockholders, as required by law. Termination of these agreements would cause us to lose the fees we earn from such investment funds.

Third party investors in our investment funds with commitment-based structures may not satisfy their contractual obligation to fund capital calls when requested by us, which could adversely affect a fund's operations and performance.

Investors in all of our carry funds (and certain of our hedge funds) make capital commitments to those funds that we are entitled to call from those investors at any time during prescribed periods. We depend on investors fulfilling their commitments when we call capital from them in order for those funds to consummate investments and otherwise pay their obligations (for example, management fees) when due. A default by an investor may also limit a fund's availability to incur borrowings and avail itself of what would otherwise have been available credit. We have not had investors fail to honor capital calls to any meaningful extent. Any investor that did not fund a capital call would generally be subject to several possible penalties, including having a significant amount of its existing investment forfeited in that fund. However, the impact of the penalty is directly correlated to the amount of capital previously invested by the investor in the fund and if an investor has invested little or no capital, for instance early in the life of the fund, then the forfeiture penalty may not be as meaningful. Investors may also negotiate for lesser or reduced penalties at the outset of the fund, thereby inhibiting our ability to enforce the funding of a capital call. Third-party investors in private equity, real estate and venture capital funds typically use distributions from prior investments to meet future capital calls. In cases where valuations of investors' existing investments fall and the pace of distributions slows, investors may be unable to make new commitments to third-party managed investment funds such as those advised by us. If investors were to fail to satisfy a significant amount of capital calls for any particular fund or funds, the operation and performance of those funds could be materially and adversely affected.

Certain policies and procedures implemented to mitigate potential conflicts of interest and address certain regulatory requirements may reduce the synergies across our various businesses.

Because of our various lines of asset management businesses and our capital markets services business, we will be subject to a number of actual and potential conflicts of interest and subject to greater regulatory oversight than that to which we would otherwise be subject if we had just one line of business. In addressing these conflicts and regulatory requirements across our various businesses, we have implemented certain policies and procedures (for example, information walls) that may reduce the positive synergies that we cultivate across these businesses. For example, we may come into possession of material non-public information with respect to issuers in which we may be considering making an investment. As a consequence, we may be precluded from providing such information or other ideas to our other businesses that might be of benefit to them.

Our failure to deal appropriately with conflicts of interest in our investment business could damage our reputation and adversely affect our businesses.

As we have expanded and as we continue to expand the number and scope of our businesses, we increasingly confront potential conflicts of interest relating to our funds' investment activities. A decision to acquire material non-public information about a company while pursuing an investment opportunity for a particular fund gives rise to a potential conflict of interest when it results in our having to restrict the ability of other funds to take any action. Certain of our funds may have overlapping investment objectives, including funds that have different fee structures, and potential conflicts may arise with respect to our decisions regarding how to allocate investment opportunities among those funds. For example, we may allocate an investment opportunity that is appropriate for two or more investment funds in a manner that excludes one or more funds or results in a disproportionate allocation based on factors or criteria that we determine, such as sourcing of the transaction, the relative amounts of capital available for investment in each fund, the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals dedicated to the respective funds and other considerations deemed relevant by us. In addition, the challenge of allocating investment opportunities to certain funds may be exacerbated as we expand our business to include more public vehicles. We may also cause different private equity funds to invest in a single portfolio company, for example where the fund that made an initial investment no longer has capital available to invest. We may also cause different funds that we manage to purchase different classes of securities in the same portfolio company. For example, one of our CLO funds could acquire a debt security issued by the same company in which one of our private equity funds owns common equity securities. A direct conflict of interest could arise between the debt holders and the equity holders if such a company were to develop insolvency concerns, and that conflict would have to be carefully managed by us. In addition, conflicts of interest may exist in the valuation of our investments and regarding decisions about the allocation of specific investment opportunities among us and our funds and the allocation of fees and costs among us, our funds and their portfolio companies. Lastly, in certain, infrequent instances we may purchase an investment alongside one of our investment funds or sell an investment to one of our investment funds and conflicts may arise in respect of the allocation, pricing and timing of such investments and the ultimate disposition of such investments. To the extent we failed to appropriately deal with any such conflicts, it could negatively impact our reputation and ability to raise additional funds or result in potential litigation against us.

Risk management activities may adversely affect the return on our funds' investments.

When managing our exposure to market risks, we may (on our own behalf or on behalf of our funds) from time to time use forward contracts, options, swaps, caps, collars and floors or pursue other strategies or use other forms of derivative instruments to limit our exposure to changes in the relative values of investments that may result from market developments, including changes in prevailing interest rates, currency exchange rates and commodity prices. The success of any hedging or other derivative transactions generally will depend on our ability to correctly predict market changes, the degree of correlation between price movements of a derivative instrument, the position being hedged, the creditworthiness of the counterparty and other factors. As a result, while we may enter into a transaction in order to reduce our exposure to market risks, the transaction may result in poorer overall investment performance than if it had not been executed. Such transactions may also limit the opportunity for gain if the value of a hedged position increases.

While such hedging arrangements may reduce certain risks, such arrangements themselves may entail certain other risks. These arrangements may require the posting of cash collateral at a time when a fund has insufficient cash or illiquid assets such that the posting of the cash is either impossible or requires the sale of assets at prices that do not reflect their underlying value. Moreover, these hedging arrangements may generate significant transaction costs, including potential tax costs, that reduce the returns generated by a fund. Finally, the CFTC has made several public statements that it may soon issue a proposal for certain foreign exchange products to be subject to mandatory clearing, which could increase the cost of entering into currency hedges.

Our real estate funds are subject to the risks inherent in the ownership and operation of real estate and the construction and development of real estate.

Investments in our real estate funds will be subject to the risks inherent in the ownership and operation of real estate and real estate related businesses and assets, including the deterioration of real estate fundamentals. These risks include, but are not limited to, those associated with the burdens of ownership of real property, general and local economic conditions, changes in supply of and demand for competing properties in an area (as a result, for instance, of overbuilding), fluctuations in the average occupancy and room rates for hotel properties, operating income, the financial resources of tenants, changes in building, environmental, zoning and other laws, casualty or condemnation losses, energy and supply shortages, various uninsured or uninsurable risks, natural disasters, changes in government regulations (such as rent control), changes in real property tax rates, changes in interest rates, the reduced availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, increased mortgage defaults, increases in borrowing rates, negative developments in the economy that depress travel activity, environmental liabilities, contingent liabilities on disposition of assets, acts of god, terrorist attacks, war and other factors that are beyond our control. In addition, if our real estate funds acquire direct or indirect interests in undeveloped land or underdeveloped real property, which may often be non-income producing, they will be subject to the risks normally associated with such assets and development activities, including risks relating to the availability and timely receipt of zoning and other regulatory or environmental approvals, the cost and timely completion of construction (including risks beyond the control of our fund, such as weather or labor conditions or material shortages) and the availability of both construction and permanent financing on favorable terms. In addition, our real estate funds may also make investments in residential real estate projects and/or otherwise participate in financing opportunities relating to residential real estate assets or portfolios thereof from time to time, which may be more highly susceptible to adverse changes in prevailing economic and/or market conditions and present additional risks relative to the ownership and operation of commercial real estate assets.

Certain of our investment funds may invest in securities of companies that are experiencing significant financial or business difficulties, including companies involved in bankruptcy or other reorganization and liquidation proceedings. Such investments are subject to a greater risk of poor performance or loss.

Certain of our investment funds, especially our credit-focused funds, may invest in business enterprises involved in work-outs, liquidations, spin-offs, reorganizations, bankruptcies and similar transactions and may purchase high-risk receivables. An investment in such business enterprises entails the risk that the transaction in which such business enterprise is involved either will be unsuccessful, will take considerable time or will result in a distribution of cash or a new security the value of which will be less than the purchase price to the fund of the security or other financial instrument in respect of which such distribution is received. In addition, if an anticipated transaction does not in fact occur, the fund may be required to sell its investment at a loss. Investments in troubled companies may also be adversely affected by U.S. federal and state laws relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and a bankruptcy court's discretionary power to disallow, subordinate or disenfranchise particular claims. Investments in securities and private claims of troubled companies made in connection with an attempt to influence a restructuring proposal or plan of reorganization in a bankruptcy case may also involve substantial litigation. Because there is substantial uncertainty concerning the outcome of transactions involving financially troubled companies, there is a potential risk of loss by a fund of its entire investment in such company. Moreover, a major economic recession could have a materially adverse impact on the value of such securities. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of securities rated below investment grade or otherwise adversely affect

our reputation. In addition, in a recent 2013 federal Circuit Court case, the Court determined that a private equity fund could be liable for ERISA Title IV pension obligations (including withdrawal liability incurred with respect to union multiemployer plans) of its portfolio companies, if such fund is a “trade or business” and the fund’s ownership interest in the portfolio company is significant enough to bring the portfolio company within its “controlled group.” While a number of cases have held that managing investments is not a “trade or business” for tax purposes, the Circuit Court in this case concluded the a private equity fund could be a “trade or business” for ERISA purposes based on certain factors, including the fund’s level of involvement in the management of its portfolio companies and the nature of its management fee arrangements. The Circuit Court case did not conclude whether the fund in question and its portfolio companies were part of the same “controlled group.”

Certain of our fund investments may be concentrated in certain asset types or in a geographic region, which could exacerbate any negative performance of those funds to the extent those concentrated investments perform poorly.

The governing agreements of our investment funds contain only limited investment restrictions and only limited requirements as to diversification of fund investments, either by geographic region or asset type. For example, approximately 70% of the investments of our real estate funds (based on fair values as of December 31, 2015) are in office building, hotel and shopping center assets. During periods of difficult market conditions or slowdowns in these sectors, the decreased revenues, difficulty in obtaining access to financing and increased funding costs experienced by our real estate funds may be exacerbated by this concentration of investments, which would result in lower investment returns for our real estate funds.

Investments by our funds in the power and energy industries involve various operational, construction, regulatory and market risks that could adversely affect our results of operations, liquidity and financial condition.

The development, operation and maintenance of power and energy generation facilities involves many risks, including, as applicable, labor issues, start-up risks, breakdown or failure of facilities, lack of sufficient capital to maintain the facilities, the dependence on a specific fuel source, volatility in the price of fuel sources, or the impact of unusual or adverse weather conditions or other natural events, as well as the risk of performance below expected levels of output, efficiency or reliability, the occurrence of any of which could result in lost revenues and/or increased expenses. In turn, such developments could impair a portfolio company’s ability to repay its debt or conduct its operations. We may also choose or be required to decommission a power generation facility or other asset. The decommissioning process could be protracted and result in the incurrence of significant financial and/or regulatory obligations or other uncertainties.

Our power and energy sector portfolio companies may also face construction risks typical for power generation and related infrastructure businesses. Such developments could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of construction activities once undertaken. Delays in the completion of any power project may result in lost revenues or increased expenses, including higher operation and maintenance costs related to such portfolio company.

The power and energy sectors are the subject of substantial and complex laws, rules and regulation by various federal and state regulatory agencies. Failure to comply with applicable laws, rules and regulations could result in the prevention of operation of certain facilities or the prevention of the sale of such a facility to a third party, as well as the loss of certain rate authority, refund liability, penalties and other remedies, all of which could result in additional costs to a portfolio company and adversely affect the investment results.

Our businesses that invest in the energy industry also focus on investments in businesses involved in oil and gas exploration and development, which can be a speculative business involving a high degree of risk, including:

- the use of new technologies, including hydraulic fracturing,
- reliance on estimates of oil and gas reserves in the evaluation of available geological, geophysical, engineering and economic data for each reservoir, and

- encountering unexpected formations or pressures, premature declines of reservoirs, blow-outs, equipment failures and other accidents in completing wells and otherwise, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, fires, spills and other environmental risks.

In addition, the performance of the investments made by our credit and equity funds in the energy and natural resources markets are also subject to a high degree of market risk, as such investments are likely to be, directly or indirectly substantially dependent upon prevailing prices of oil, natural gas and other commodities. Oil and natural gas prices are subject to wide fluctuation in response to factors beyond the control of us or our portfolio companies, including relatively minor changes in the supply and demand for oil and natural gas, market uncertainty, the level of consumer product demand, weather conditions, governmental regulation, the price and availability of alternative fuels, political and economic conditions in oil producing countries, foreign supply of such commodities and overall domestic and foreign economic conditions. These factors make it difficult to predict future commodity price movements with any certainty.

The financial projections of our portfolio companies could prove inaccurate.

Our funds generally establish the capital structure of portfolio companies on the basis of financial projections prepared by the management of such portfolio companies. These projected operating results will normally be based primarily on judgments of the management of the portfolio companies. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. General economic conditions, which are not predictable, along with other factors may cause actual performance to fall short of the financial projections that were used to establish a given portfolio company's capital structure. Because of the leverage we typically employ in our investments, this could cause a substantial decrease in the value of our equity holdings in the portfolio company. The inaccuracy of financial projections could thus cause our funds' performance to fall short of our expectations.

Contingent liabilities could harm fund performance.

We may cause our funds to acquire an investment that is subject to contingent liabilities. Such contingent liabilities could be unknown to us at the time of acquisition or, if they are known to us, we may not accurately assess or protect against the risks that they present. Acquired contingent liabilities could thus result in unforeseen losses for our funds. In addition, in connection with the disposition of an investment in a portfolio company, a fund may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business. A fund may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities by a fund, even after the disposition of an investment. Accordingly, the inaccuracy of representations and warranties made by a fund could harm such fund's performance.

Our funds may be forced to dispose of investments at a disadvantageous time.

Our funds may make investments that they do not advantageously dispose of prior to the date the applicable fund is dissolved, either by expiration of such fund's term or otherwise. Although we generally expect that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, and the general partners of the funds have only a limited ability to extend the term of the fund with the consent of fund investors or the advisory board of the fund, as applicable, our funds may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution. This would result in a lower than expected return on the investments and, perhaps, on the fund itself.

Hedge fund investments are subject to numerous additional risks.

Investments by our funds of hedge funds in other hedge funds, as well as investments by our credit-focused and real estate debt hedge funds, are subject to numerous additional risks, including the following:

- Certain of the funds are newly established funds without any operating history or are managed by management companies or general partners who may not have as significant track records as an independent manager.
- Generally, there are few limitations on the execution of the hedge funds' investment strategies, which are subject to the sole discretion of the management company or the general partner of such funds.
- Hedge funds may engage in short selling, which is subject to the theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. A fund may be subject to losses if a security lender demands return of the lent securities and an alternative lending source cannot be found or if the fund is otherwise unable to borrow securities that are necessary to hedge its positions.
- Hedge funds are exposed to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the fund to suffer a loss. Counterparty risk is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the fund has concentrated its transactions with a single or small group of counterparties. Generally, hedge funds are not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. Moreover, the funds' internal consideration of the creditworthiness of their counterparties may prove insufficient. The absence of a regulated market to facilitate settlement may increase the potential for losses.
- Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This "systemic risk" may adversely affect the financial intermediaries (such as clearing agencies, clearing houses, banks, securities firms and exchanges) with which the hedge funds interact on a daily basis.
- The efficacy of investment and trading strategies depend largely on the ability to establish and maintain an overall market position in a combination of financial instruments. A hedge fund's trading orders may not be executed in a timely and efficient manner due to various circumstances, including systems failures or human error. In such event, the funds might only be able to acquire some but not all of the components of the position, or if the overall position were to need adjustment, the funds might not be able to make such adjustment. As a result, the funds would not be able to achieve the market position selected by the management company or general partner of such funds, and might incur a loss in liquidating their position.
- Hedge funds are subject to risks due to potential illiquidity of assets. Hedge funds may make investments or hold trading positions in markets that are volatile and which may become illiquid. Timely divestiture or sale of trading positions can be impaired by decreased trading volume, increased price volatility, concentrated trading positions, limitations on the ability to transfer positions in highly specialized or structured transactions to which they may be a party, and changes in industry and government regulations. It may be impossible or costly for hedge funds to liquidate positions rapidly in order to meet margin calls, withdrawal requests or otherwise, particularly if there are other market participants seeking to dispose of similar assets at the same time or the relevant market is otherwise moving against a position or in the event of trading halts or daily price movement limits on the market or otherwise. Moreover, these risks may be exacerbated for our funds of hedge funds. For example, if one of our funds of hedge funds were to invest a significant portion of its assets in two or more hedge funds that each had illiquid positions in the same issuer, the illiquidity risk for our funds of hedge funds would be compounded. For example, in 2008 many hedge funds, including some of our hedge funds, experienced significant declines in value. In many

cases, these declines in value were both provoked and exacerbated by margin calls and forced selling of assets. Moreover, certain of our funds of hedge funds were invested in third party hedge funds that halted redemptions in the face of illiquidity and other issues, which precluded those funds of hedge funds from receiving their capital back on request.

- Hedge fund investments are subject to risks relating to investments in commodities, futures, options and other derivatives, the prices of which are highly volatile and may be subject to the theoretically unlimited risk of loss in certain circumstances, including if the fund writes a call option. Price movements of commodities, futures and options contracts and payments pursuant to swap agreements are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments and national and international political and economic events and policies. The value of futures, options and swap agreements also depends upon the price of the commodities underlying them. In addition, hedge funds' assets are subject to the risk of the failure of any of the exchanges on which their positions trade or of their clearinghouses or counterparties. Most U.S. commodities exchanges limit fluctuations in certain commodity interest prices during a single day by imposing "daily price fluctuation limits" or "daily limits," the existence of which may reduce liquidity or effectively curtail trading in particular markets.

We are subject to risks in using prime brokers, custodians, counterparties, administrators and other agents.

Many of our funds depend on the services of prime brokers, custodians, counterparties, administrators and other agents to carry out certain securities and derivatives transactions. The terms of these contracts are often customized and complex, and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight, although the Dodd-Frank Act provides for new regulation of the derivatives market. In particular, some of our funds utilize prime brokerage arrangements with a relatively limited number of counterparties, which has the effect of concentrating the transaction volume (and related counterparty default risk) of these funds with these counterparties.

Our funds are subject to the risk that the counterparty to one or more of these contracts defaults, either voluntarily or involuntarily, on its performance under the contract. Any such default may occur suddenly and without notice to us. Moreover, if a counterparty defaults, we may be unable to take action to cover our exposure, either because we lack contractual recourse or because market conditions make it difficult to take effective action. This inability could occur in times of market stress, which is when defaults are most likely to occur.

In addition, our risk-management models may not accurately anticipate the impact of market stress or counterparty financial condition, and as a result, we may not have taken sufficient action to reduce our risks effectively. Default risk may arise from events or circumstances that are difficult to detect, foresee or evaluate. In addition, concerns about, or a default by, one large participant could lead to significant liquidity problems for other participants, which may in turn expose us to significant losses.

Although we have risk-management models and processes to ensure that we are not exposed to a single counterparty for significant periods of time, given the large number and size of our funds, we often have large positions with a single counterparty. For example, most of our funds have credit lines. If the lender under one or more of those credit lines were to become insolvent, we may have difficulty replacing the credit line and one or more of our funds may face liquidity problems.

In the event of a counterparty default, particularly a default by a major investment bank or a default by a counterparty to a significant number of our contracts, one or more of our funds may have outstanding trades that they cannot settle or are delayed in settling. As a result, these funds could incur material losses and the resulting market impact of a major counterparty default could harm our businesses, results of operation and financial condition.

In the event of the insolvency of a prime broker, custodian, counterparty or any other party that is holding assets of our funds as collateral, our funds might not be able to recover equivalent assets in full as they will rank among the prime broker's, custodian's or counterparty's unsecured creditors in relation to the assets held as collateral. In addition, our funds' cash held with a prime broker, custodian or counterparty generally will not be segregated from the prime broker's, custodian's or counterparty's own cash, and our funds may therefore rank as unsecured creditors in relation thereto. If our derivatives transactions are cleared through a derivatives clearing organization, the CFTC has issued final rules regulating the segregation and protection of collateral posted by customers of cleared and uncleared swaps. The CFTC is also working to provide new guidance regarding prime broker arrangements and intermediation generally with regard to trading on swap execution facilities.

The counterparty risks that we face have increased in complexity and magnitude as a result of disruption in the financial markets in recent years. For example, the consolidation and elimination of counterparties has increased our concentration of counterparty risk and decreased the universe of potential counterparties, and our funds are generally not restricted from dealing with any particular counterparty or from concentrating any or all of their transactions with one counterparty. In addition, counterparties have generally reacted to recent market volatility by tightening their underwriting standards and increasing their margin requirements for all categories of financing, which has the result of decreasing the overall amount of leverage available and increasing the costs of borrowing.

Underwriting activities by our capital markets services business expose us to risks.

We act as an underwriter in securities offerings through our capital markets services business. We may incur losses and be subject to reputational harm to the extent that, for any reason, we are unable to sell securities we purchased as an underwriter at the anticipated price levels. As an underwriter, we also are subject to liability for material misstatements or omissions in prospectuses and other offering documents relating to offerings we underwrite.

Risks Related to Our Organizational Structure

Our common unitholders do not elect our general partner or vote on our general partner's directors and have limited ability to influence decisions regarding our business.

Our general partner, Blackstone Group Management L.L.C., which is owned by our senior managing directors, manages all of our operations and activities. Blackstone Group Management L.L.C. has a board of directors that is responsible for the oversight of our business and operations. Our general partner's board of directors is elected in accordance with its limited liability company agreement, where our senior managing directors have agreed that our founder, Stephen A. Schwarzman, will have the power to appoint and remove the directors of our general partner. The limited liability company agreement of our general partner provides that at such time as Mr. Schwarzman should cease to be a founder, Hamilton E. James will thereupon succeed Mr. Schwarzman as the sole founding member of our general partner, and thereafter such power will revert to the members of our general partner (our senior managing directors) holding a majority in interest in our general partner.

Our common unitholders do not elect our general partner or its board of directors and, unlike the holders of common stock in a corporation, have only limited voting rights on matters affecting our business and therefore limited ability to influence decisions regarding our business. Furthermore, if our common unitholders are dissatisfied with the performance of our general partner, they have little ability to remove our general partner. Our general partner may not be removed unless that removal is approved by the vote of the holders of not less than two-thirds of the voting power of our outstanding common units and special voting units (including common units and special voting units held by the general partner and its affiliates) and we receive an opinion of counsel regarding limited liability matters. As of December 31, 2015, Blackstone Partners L.L.C., an entity wholly owned by our personnel and others who are limited partners, had 49.5% of the voting power of The Blackstone Group L.P. limited partners. Therefore, our senior managing directors have the ability to remove or block any removal of our general partner and thus control The Blackstone Group L.P.

Blackstone personnel collectively own a controlling interest in us and will be able to determine the outcome of those few matters that may be submitted for a vote of the limited partners.

Our senior managing directors generally have sufficient voting power to determine the outcome of those few matters that may be submitted for a vote of the limited partners of The Blackstone Group L.P., including any attempt to remove our general partner.

Our common unitholders' voting rights are further restricted by the provision in our partnership agreement stating that any common units held by a person that beneficially owns 20% or more of any class of The Blackstone Group L.P. common units then outstanding (other than our general partner and its affiliates, or a direct or subsequently approved transferee of our general partner or its affiliates) cannot be voted on any matter. In addition, our partnership agreement contains provisions limiting the ability of our common unitholders to call meetings or to acquire information about our operations, as well as other provisions limiting the ability of our common unitholders to influence the manner or direction of our management. Our partnership agreement also does not restrict our general partner's ability to take actions that may result in our being treated as an entity taxable as a corporation for U.S. federal (and applicable state) income tax purposes. Furthermore, the common unitholders are not entitled to dissenters' rights of appraisal under our partnership agreement or applicable Delaware law in the event of a merger or consolidation, a sale of substantially all of our assets or any other transaction or event. In addition, we have the right to acquire all of our then-outstanding common units if not more than 10% of our common units are held by persons other than our general partner and its affiliates.

As a result of these matters and the provisions referred to under "— Our common unitholders do not elect our general partner or vote on our general partner's directors and have limited ability to influence decisions regarding our business," our common unitholders may be deprived of an opportunity to receive a premium for their common units in the future through a sale of The Blackstone Group L.P., and the trading prices of our common units may be adversely affected by the absence or reduction of a takeover premium in the trading price.

We are a limited partnership and as a result fall within exceptions from certain corporate governance and other requirements under the rules of the New York Stock Exchange.

We are a limited partnership and fall within exceptions from certain corporate governance and other requirements of the rules of the New York Stock Exchange. Pursuant to these exceptions, limited partnerships may elect not to comply with certain corporate governance requirements of the New York Stock Exchange, including the requirements (a) that a majority of the board of directors of our general partner consist of independent directors, (b) that we have a nominating/corporate governance committee that is composed entirely of independent directors (c) that we have a compensation committee that is composed entirely of independent directors, and (d) that the compensation committee be required to consider certain independence factors when engaging compensation consultants, legal counsel and other committee advisers. In addition, we are not required to hold annual meetings of our common unitholders. We will continue to avail ourselves of these exceptions. Accordingly, common unitholders generally do not have the same protections afforded to equityholders of entities that are subject to all of the corporate governance requirements of the New York Stock Exchange.

Potential conflicts of interest may arise among our general partner, its affiliates and us. Our general partner and its affiliates have limited fiduciary duties to us and our common unitholders, which may permit them to favor their own interests to the detriment of us and our common unitholders.

Conflicts of interest may arise among our general partner and its affiliates, on the one hand, and us and our common unitholders, on the other hand. As a result of these conflicts, our general partner may favor its own interests and the interests of its affiliates over the interests of our common unitholders. These conflicts include, among others, the following:

- our general partner determines the amount and timing of our investments and dispositions, indebtedness, issuances of additional partnership interests and amounts of reserves, each of which can affect the amount of cash that is available for distribution to our common unitholders,

- our general partner is allowed to take into account the interests of parties other than us in resolving conflicts of interest, which has the effect of limiting its duties (including fiduciary duties) to our common unitholders. For example, our subsidiaries that serve as the general partners of our investment funds have fiduciary and contractual obligations to the investors in those funds, as a result of which we expect to regularly take actions that might adversely affect our near-term results of operations or cash flow,
- because our senior managing directors hold their Blackstone Holdings Partnership Units directly or through entities that are not subject to corporate income taxation and The Blackstone Group L.P. holds Blackstone Holdings Partnership Units through wholly owned subsidiaries, some of which are subject to corporate income taxation, conflicts may arise between our senior managing directors and The Blackstone Group L.P. relating to the selection and structuring of investments,
- other than as set forth in the non-competition and non-solicitation agreements to which our senior managing directors are subject, which may not be enforceable, affiliates of our general partner and existing and former personnel employed by our general partner are not prohibited from engaging in other businesses or activities, including those that might be in direct competition with us,
- our general partner has limited its liability and reduced or eliminated its duties (including fiduciary duties) under the partnership agreement, while also restricting the remedies available to our common unitholders for actions that, without these limitations, might constitute breaches of duty (including fiduciary duty). In addition, we have agreed to indemnify our general partner and its affiliates to the fullest extent permitted by law, except with respect to conduct involving bad faith, fraud or willful misconduct. By purchasing our common units, common unitholders will have agreed and consented to the provisions set forth in our partnership agreement, including the provisions regarding conflicts of interest situations that, in the absence of such provisions, might constitute a breach of fiduciary or other duties under applicable state law,
- our partnership agreement does not restrict our general partner from causing us to pay it or its affiliates for any services rendered, or from entering into additional contractual arrangements with any of these entities on our behalf, so long as the terms of any such additional contractual arrangements are fair and reasonable to us as determined under the partnership agreement,
- our general partner determines how much debt we incur and that decision may adversely affect our credit ratings,
- our general partner determines which costs incurred by it and its affiliates are reimbursable by us,
- our general partner controls the enforcement of obligations owed to us by it and its affiliates, and
- our general partner decides whether to retain separate counsel, accountants or others to perform services for us.

See “Part III. Item 13. Certain Relationships and Related Transactions, and Director Independence” and “Part III. Item 10. Directors, Executive Officers and Corporate Governance — Partnership Management and Governance — Conflicts Committee.”

Our partnership agreement contains provisions that reduce or eliminate duties (including fiduciary duties) of our general partner and limit remedies available to common unitholders for actions that might otherwise constitute a breach of duty. It will be difficult for a common unitholder to successfully challenge a resolution of a conflict of interest by our general partner or by its conflicts committee.

Our partnership agreement contains provisions that waive or consent to conduct by our general partner and its affiliates that might otherwise raise issues about compliance with fiduciary duties or applicable law. For example, our partnership agreement provides that when our general partner is acting in its individual capacity, as opposed to in its capacity as our general partner, it may act without any fiduciary obligations to us or our common unitholders whatsoever. When our general partner, in its capacity as our general partner, is permitted to or required to make a

decision in its “sole discretion” or “discretion” or that it deems “necessary or appropriate” or “necessary or advisable,” then our general partner is entitled to consider only such interests and factors as it desires, including its own interests, and has no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any limited partners and will not be subject to any different standards imposed by the partnership agreement, the Delaware Limited Partnership Act or under any other law, rule or regulation or in equity. These modifications of fiduciary duties are expressly permitted by Delaware law. Hence, we and our common unitholders only have recourse and are able to seek remedies against our general partner if our general partner breaches its obligations pursuant to our partnership agreement. Unless our general partner breaches its obligations pursuant to our partnership agreement, we and our common unitholders do not have any recourse against our general partner even if our general partner were to act in a manner that was inconsistent with traditional fiduciary duties. Furthermore, even if there has been a breach of the obligations set forth in our partnership agreement, our partnership agreement provides that our general partner and its officers and directors are not liable to us or our common unitholders for errors of judgment or for any acts or omissions unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that the general partner or its officers and directors acted in bad faith or engaged in fraud or willful misconduct. These modifications are detrimental to the common unitholders because they restrict the remedies available to common unitholders for actions that without those limitations might constitute breaches of duty (including fiduciary duty).

Whenever a potential conflict of interest exists between us and our general partner, our general partner may resolve such conflict of interest. If our general partner determines that its resolution of the conflict of interest is on terms no less favorable to us than those generally being provided to or available from unrelated third parties or is fair and reasonable to us, taking into account the totality of the relationships between us and our general partner, then it will be presumed that in making this determination, our general partner acted in good faith. A common unitholder seeking to challenge this resolution of the conflict of interest would bear the burden of overcoming such presumption. This is different from the situation with Delaware corporations, where a conflict resolution by an interested party would be presumed to be unfair and the interested party would have the burden of demonstrating that the resolution was fair.

Also, if our general partner obtains the approval of the conflicts committee of our general partner, the resolution will be conclusively deemed to be fair and reasonable to us and not a breach by our general partner of any duties it may owe to us or our common unitholders. This is different from the situation with Delaware corporations, where a conflict resolution by a committee consisting solely of independent directors may, in certain circumstances, merely shift the burden of demonstrating unfairness to the plaintiff. Common unitholders, in purchasing our common units, are deemed as having consented to the provisions set forth in the partnership agreement, including provisions regarding conflicts of interest situations that, in the absence of such provisions, might be considered a breach of fiduciary or other duties under applicable state law. As a result, common unitholders will, as a practical matter, not be able to successfully challenge an informed decision by the conflicts committee. See “Part III. Item 10. Directors, Executive Officers and Corporate Governance — Partnership Management and Governance — Conflicts Committee.”

The control of our general partner may be transferred to a third party without common unitholder consent.

Our general partner may transfer its general partner interest to a third party in a merger or consolidation without the consent of our common unitholders. Furthermore, at any time, the members of our general partner may sell or transfer all or part of their limited liability company interests in our general partner without the approval of the common unitholders, subject to certain restrictions as described elsewhere in this annual report. A new general partner may not be willing or able to form new investment funds and could form funds that have investment objectives and governing terms that differ materially from those of our current investment funds. A new owner could also have a different investment philosophy, employ investment professionals who are less experienced, be unsuccessful in identifying investment opportunities or have a track record that is not as successful as Blackstone’s track record. If any of the foregoing were to occur, we could experience difficulty in making new investments, and the value of our existing investments, our business, our results of operations and our financial condition could materially suffer.

We intend to pay regular distributions to our common unitholders, but our ability to do so may be limited by cash flow from operations and available liquidity, our holding partnership structure, applicable provisions of Delaware law and contractual restrictions.

Our intention is to distribute quarterly to common unitholders approximately 85% of The Blackstone Group L.P.'s share of Distributable Earnings, subject to adjustment by amounts determined by Blackstone's general partner to be necessary or appropriate to provide for the conduct of its business, to make appropriate investments in its business and our funds, to comply with applicable law, any of its debt instruments or other agreements, or to provide for future cash requirements such as tax-related payments, clawback obligations and distributions to unitholders for any ensuing quarter. All of the foregoing is subject to the qualification that the declaration and payment of any distributions are at the sole discretion of our general partner, and may change at any time, including, without limitation, to eliminate such distributions entirely.

The Blackstone Group L.P. is a holding partnership and has no material assets other than the ownership of the partnership units in Blackstone Holdings held through wholly owned subsidiaries. The Blackstone Group L.P. has no independent means of generating revenue. Accordingly, we intend to cause Blackstone Holdings to make distributions to its partners, including The Blackstone Group L.P.'s wholly owned subsidiaries, to fund any distributions The Blackstone Group L.P. may declare on the common units.

Our ability to make cash distributions to our 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, including the timing and extent of our realizations, working capital requirements and anticipated cash needs, contractual restrictions and obligations including fulfilling our current and future capital commitments, 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.

Under the Delaware Limited Partnership Act, we may not make a distribution to a partner if after the distribution all our liabilities, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of our assets. If we were to make such an impermissible distribution, any limited partner who received a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Limited Partnership Act would be liable to us for the amount of the distribution for three years. In addition, the terms of our revolving credit facility or other financing arrangements may from time to time include covenants or other restrictions that could constrain our ability to make distributions.

The amortization of finite-lived intangible assets and non-cash equity-based compensation results in substantial expenses that may increase the net loss we record in certain periods or cause us to record a net loss in periods during which we would otherwise have recorded net income.

As part of the reorganization related to our IPO we acquired interests in our business from our predecessor owners. This transaction has been accounted for partially as a transfer of interests under common control and partially as an acquisition of non-controlling interests. We accounted for the acquisition of the non-controlling interests using the purchase method of accounting, and reflected the excess of the purchase price over the fair value of the tangible assets acquired and liabilities assumed as goodwill and other intangible assets on our statement of financial condition. As of December 31, 2015, we have \$345.5 million of finite-lived intangible assets (in addition to \$1.7 billion of goodwill), net of accumulated amortization. These finite-lived intangible assets are from the IPO and other business transactions. We are amortizing these finite-lived intangibles over their estimated useful lives, which range from three to twenty years, using the straight-line method, with a weighted-average remaining amortization period of 6.4 years as of December 31, 2015. In addition, as part of the reorganization at the time of our IPO, Blackstone personnel received an aggregate of 827,516,625 Blackstone Holdings Partnership Units, of which 439,711,537 were unvested. The grant date fair value of the unvested Blackstone Holdings Partnership Units

(which was \$31) is being 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. These expenses may increase the net loss we record in certain periods or cause us to record a net loss in periods during which we would otherwise have recorded net income.

We are required to pay our senior managing directors for most of the benefits relating to any additional tax depreciation or amortization deductions we may claim as a result of the tax basis step-up we received as part of the reorganization we implemented in connection with our IPO or receive in connection with future exchanges of our common units and related transactions.

As part of the reorganization we implemented in connection with our IPO, we purchased interests in our business from our pre-IPO owners. In addition, holders of partnership units in Blackstone Holdings (other than The Blackstone Group L.P.'s wholly owned subsidiaries), 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 (subject to the terms of the exchange agreement) exchange their Blackstone Holdings Partnership Units for The Blackstone Group L.P. common units on a one-for-one basis. A Blackstone Holdings limited partner must exchange one partnership unit in each of the Blackstone Holdings Partnerships to effect an exchange for a common unit. 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 certain of The Blackstone Group L.P.'s wholly owned subsidiaries that are taxable as corporations for U.S. federal income tax purposes, which we refer to as the "corporate taxpayers," would otherwise be required to pay in the future, although the IRS may challenge all or part of that tax basis increase, and a court could sustain such a challenge.

One of the corporate taxpayers has entered into a tax receivable agreement with our senior managing directors and other pre-IPO owners that provides for the payment by the corporate taxpayer to the counterparties of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax or franchise tax that the corporate taxpayers actually realize as a result of these 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. In addition, additional tax receivable agreements have been executed, and others may continue to be executed, with newly admitted Blackstone senior managing directors and certain others who receive Blackstone Holdings Partnership Units. This payment obligation is an obligation of the corporate taxpayer and not of Blackstone Holdings. As such, the cash distributions to public common unitholders may vary from holders of Blackstone Holdings Partnership Units (held by Blackstone personnel and others) to the extent payments are made under the tax receivable agreements to selling holders of Blackstone Holdings Partnership Units. As the payments reflect actual tax savings received by Blackstone entities, there may be a timing difference between the tax savings received by Blackstone entities and the cash payments to selling holders of Blackstone Holdings Partnership Units. While the actual increase in tax basis, as well as the amount and timing of any payments under this agreement, will vary depending upon a number of factors, including the timing of exchanges, the price of our common units at the time of the exchange, the extent to which such exchanges are taxable and the amount and timing of our income, we expect that as a result of the size of the increases in the tax basis of the tangible and intangible assets of Blackstone Holdings, the payments that we may make under the tax receivable agreements will be substantial. The payments under a tax receivable agreement are not conditioned upon a tax receivable agreement counterparty's continued ownership of us. We may need to incur debt to finance payments under the tax receivable agreement to the extent our cash resources are insufficient to meet our obligations under the tax receivable agreements as a result of timing discrepancies or otherwise.

Although we are not aware of any issue that would cause the IRS to challenge a tax basis increase, the tax receivable agreement counterparties will not reimburse us for any payments previously made under the tax receivable agreement. As a result, in certain circumstances payments to the counterparties under the tax receivable

agreement could be in excess of the corporate taxpayers' actual cash tax savings. The corporate taxpayers' ability to achieve benefits from any tax basis increase, and the payments to be made under the tax receivable agreements, will depend upon a number of factors, as discussed above, including the timing and amount of our future income.

If The Blackstone Group L.P. were deemed an "investment company" under the 1940 Act, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

An entity will generally be deemed to be an "investment company" for purposes of the 1940 Act if: (a) it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities, or (b) absent an applicable exemption, it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We believe that we are engaged primarily in the business of providing asset management and capital markets services and not in the business of investing, reinvesting or trading in securities. We also believe that the primary source of income from each of our businesses is properly characterized as income earned in exchange for the provision of services. We hold ourselves out as an asset management and capital markets firm and do not propose to engage primarily in the business of investing, reinvesting or trading in securities. Accordingly, we do not believe that The Blackstone Group L.P. is an "orthodox" investment company as defined in section 3(a)(1)(A) of the 1940 Act and described in clause (a) in the first sentence of this paragraph. Furthermore, The Blackstone Group L.P. does not have any material assets other than its equity interests in certain wholly owned subsidiaries, which in turn will have no material assets (other than intercompany debt) other than general partner interests in the Blackstone Holdings Partnerships. These wholly owned subsidiaries are the sole general partners of the Blackstone Holdings Partnerships and are vested with all management and control over the Blackstone Holdings Partnerships. We do not believe the equity interests of The Blackstone Group L.P. in its wholly owned subsidiaries or the general partner interests of these wholly owned subsidiaries in the Blackstone Holdings Partnerships are investment securities. Moreover, because we believe that the capital interests of the general partners of our funds in their respective funds are neither securities nor investment securities, we believe that less than 40% of The Blackstone Group L.P.'s total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis are comprised of assets that could be considered investment securities. Accordingly, we do not believe The Blackstone Group L.P. is an inadvertent investment company by virtue of the 40% test in section 3(a)(1)(C) of the 1940 Act as described in clause (b) in the first sentence of this paragraph. In addition, we believe The Blackstone Group L.P. is not an investment company under section 3(b)(1) of the 1940 Act because it is primarily engaged in a non-investment company business.

The 1940 Act and the rules thereunder contain detailed parameters for the organization and operation of investment companies. Among other things, the 1940 Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, generally prohibit the issuance of options and impose certain governance requirements. We intend to conduct our operations so that The Blackstone Group L.P. will not be deemed to be an investment company under the 1940 Act. If anything were to happen which would cause The Blackstone Group L.P. to be deemed to be an investment company under the 1940 Act, requirements imposed by the 1940 Act, including limitations on our capital structure, ability to transact business with affiliates (including us) and ability to compensate key employees, could make it impractical for us to continue our business as currently conducted, impair the agreements and arrangements between and among The Blackstone Group L.P., Blackstone Holdings and our senior managing directors, or any combination thereof, and materially adversely affect our business, financial condition and results of operations. In addition, we may be required to limit the amount of investments that we make as a principal or otherwise conduct our business in a manner that does not subject us to the registration and other requirements of the 1940 Act.

Risks Related to Our Common Units

Our common unit price may decline due to the large number of common units eligible for future sale and for exchange.

The market price of our common units could decline as a result of sales of a large number of common units in the market in the future or the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell common units in the future at a time and at a price that we deem appropriate. We had a total of 565,216,681 voting common units outstanding as of February 19, 2016. Subject to the lock-up restrictions described below, we may issue and sell in the future additional common units. Limited partners of Blackstone Holdings owned an aggregate of 543,983,293 Blackstone Holdings Partnership Units outstanding as of February 19, 2016. In connection with our initial public offering, we entered into an exchange agreement with holders of Blackstone Holdings Partnership Units (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 (subject to the terms of the exchange agreement) exchange their Blackstone Holdings Partnership Units for The Blackstone Group L.P. 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 Blackstone Holdings Partnerships to effect an exchange for a common unit. The common units we issue upon such exchanges would be "restricted securities," as defined in Rule 144 under the Securities Act, unless we register such issuances. However, we have entered into a registration rights agreement with the limited partners of Blackstone Holdings that requires us to register these common units under the Securities Act and we have filed registration statements that cover the delivery of common units issued upon exchange of Blackstone Holdings Partnership Units. See "Part III. Item 13. Certain Relationships and Related Transactions, and Director Independence — Transactions with Related Persons — Registration Rights Agreement." While the partnership agreements of the Blackstone Holdings Partnerships and related agreements contractually restrict the ability of Blackstone personnel to transfer the Blackstone Holdings Partnership Units or The Blackstone Group L.P. common units they hold and require that they maintain a minimum amount of equity ownership during their employ by us, these contractual provisions may lapse over time or be waived, modified or amended at any time.

In addition, in June 2007, we entered into an agreement with Beijing Wonderful Investments, an investment vehicle established and controlled by The People's Republic of China, pursuant to which we sold to it non-voting common units. Beijing Wonderful Investments currently owns 59,083,468 non-voting common units. We have agreed to provide Beijing Wonderful Investments with registration rights to effect certain sales.

As of February 19, 2016, we had granted 17,017,802 outstanding deferred restricted common units and 43,166,834 outstanding deferred restricted Blackstone Holdings Partnership Units, which are subject to specified vesting requirements, to our non-senior managing director professionals and senior managing directors under The Blackstone Group L.P. 2007 Equity Incentive Plan ("2007 Equity Incentive Plan"). The aggregate number of common units and Blackstone Holdings Partnership Units covered by our 2007 Equity Incentive Plan is increased on the first day of each fiscal year during its term by a number of units equal to the positive difference, if any, of (a) 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 Blackstone Group L.P. or its wholly owned subsidiaries) minus (b) the aggregate number of common units and Blackstone Holdings Partnership Units covered by our 2007 Equity Incentive Plan as of such date (unless the administrator of the 2007 Equity Incentive Plan should decide to increase the number of common units and Blackstone Holdings Partnership Units covered by the plan by a lesser amount). An aggregate of 166,340,808 additional common units and Blackstone Holdings Partnership Units were available for grant under our 2007 Equity Incentive Plan as of February 19, 2016. We have filed a registration statement and intend to file additional registration statements on Form S-8 under the Securities Act to register common units covered by our 2007 Equity Incentive Plan (including pursuant to automatic annual increases). Any such Form S-8 registration statement will automatically become effective upon filing. Accordingly, common units registered under such registration statement will be available for sale in the open market.

In addition, our partnership agreement authorizes us to issue an unlimited number of additional partnership securities and options, rights, warrants and appreciation rights relating to partnership securities for the consideration and on the terms and conditions established by our general partner in its sole discretion without the approval of any limited partners. In accordance with the Delaware Limited Partnership Act and the provisions of our partnership agreement, we may also issue additional partnership interests that have certain designations, preferences, rights, powers and duties that are different from, and may be senior to, those applicable to common units. Similarly, the Blackstone Holdings partnership agreements authorize the wholly owned subsidiaries of The Blackstone Group L.P. which are the general partners of those partnerships to issue an unlimited number of additional partnership securities of the Blackstone Holdings Partnerships with such designations, preferences, rights, powers and duties that are different from, and may be senior to, those applicable to the Blackstone Holdings Partnership Units, and which may be exchangeable for our common units.

The market price of our common units may be volatile, which could cause the value of your investment to decline.

Securities markets worldwide experience significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of common units in spite of our operating performance. In addition, our operating results could be below the expectations of public market analysts and investors, and in response the market price of our common units could decrease significantly. You may be unable to resell your common units at or above the price you paid for them.

Risks Related to United States Taxation

Our structure involves complex provisions of U.S. federal income tax law for which no clear precedent or authority may be available. Our structure also is subject to potential legislative, judicial or administrative change and differing interpretations, possibly on a retroactive basis.

The U.S. federal income tax treatment of common unitholders depends in some instances on determinations of fact and interpretations of complex provisions of U.S. federal income tax law for which no clear precedent or authority may be available. The U.S. federal income tax rules are constantly under review by persons involved in the legislative process, the U.S. Internal Revenue Service, or “IRS,” and the U.S. Treasury Department, frequently resulting in revised interpretations of established concepts, statutory changes, revisions to regulations and other modifications and interpretations. The IRS pays close attention to the proper application of tax laws to partnerships. The present U.S. federal income tax treatment of an investment in our common units may be modified by administrative, legislative or judicial interpretation at any time, and any such action may affect investments and commitments previously made. Changes to the U.S. federal income tax laws and interpretations thereof could make it more difficult or impossible to meet the exception for us to be treated as a partnership for U.S. federal income tax purposes that is not taxable as a corporation (referred to as the “Qualifying Income Exception”), affect or cause us to change our investments and commitments, affect the tax considerations of an investment in us, change the character or treatment of portions of our income (including, for instance, the treatment of carried interest as ordinary income rather than capital gain) and adversely affect an investment in our common units. For example, as discussed above under “— The U.S. Congress has considered legislation that, if enacted, would have (a) for taxable years beginning ten years after the date of enactment, precluded us from qualifying as a partnership for U.S. federal income tax purposes or required us to hold carried interest through taxable subsidiary corporations and (b) taxed individual holders of common units with respect to certain income and gains at increased rates. If any similar legislation were to be enacted and apply to us, we could incur a material increase in our tax liability and a substantial portion of our income could be taxed at a higher rate to the individual holders of our common units,” the U.S. Congress has considered various legislative proposals to treat all or part of the capital gain and dividend income that is recognized by an investment partnership and allocable to a partner affiliated with the sponsor of the partnership (i.e., a portion of the carried interest) as ordinary income to such partner for U.S. federal income tax purposes.

Our organizational documents and governing agreements permit our general partner to modify our amended and restated limited partnership agreement from time to time, without the consent of the common unitholders, to

address certain changes in U.S. federal income tax regulations, legislation or interpretation. In some circumstances, such revisions could have a material adverse impact on some or all common unitholders. Moreover, we will apply certain assumptions and conventions in an attempt to comply with applicable rules and to report income, gain, deduction, loss and credit to common unitholders in a manner that reflects such common unitholders' beneficial ownership of partnership items, taking into account variation in unitholder ownership interests during each taxable year because of trading activity. More specifically, our allocations of items of taxable income and loss between transferors and transferees of our units will be determined annually, will be prorated on a monthly basis and will be subsequently apportioned among the unitholders in proportion to the number of units owned by each of them determined as of the opening of trading of our units on the New York Stock Exchange on the first business day of every month. As a result, a unitholder transferring units may be allocated income, gain, loss and deductions realized after the date of transfer. However, those assumptions and conventions may not be in compliance with all aspects of applicable tax requirements. It is possible that the IRS will assert successfully that the conventions and assumptions used by us do not satisfy the technical requirements of the Internal Revenue Code and/or Treasury regulations and could require that items of income, gain, deductions, loss or credit, including interest deductions, be adjusted, reallocated or disallowed in a manner that adversely affects common unitholders.

If we were treated as a corporation for U.S. federal income tax or state tax purposes, then our distributions to our common unitholders would be substantially reduced and the value of our common units would be adversely affected.

The value of our common units depends in part on our being treated as a partnership for U.S. federal income tax purposes, which requires that 90% or more of our gross income for every taxable year consist of qualifying income, as defined in Section 7704 of the Internal Revenue Code and that The Blackstone Group L.P. not be registered under the 1940 Act. Qualifying income generally includes dividends, interest, capital gains from the sale or other disposition of stocks and securities and certain other forms of investment income. We may not meet these requirements or current law may change so as to cause, in either event, us to be treated as a corporation for U.S. federal income tax purposes or otherwise subject to U.S. federal income tax. Moreover, the anticipated after-tax benefit of an investment in our common units depends largely on our being treated as a partnership for U.S. federal income tax purposes. We have not requested, and do not plan to request, a ruling from the IRS on this or any other matter affecting us.

If we were treated as a corporation for U.S. federal income tax purposes, we would pay U.S. federal income tax on our taxable income at the corporate tax rate. Distributions to our common unitholders would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to you. Because a tax would be imposed upon us as a corporation, our distributions to our common unitholders would be substantially reduced, likely causing a substantial reduction in the value of our common units.

Current law may change, causing us to be treated as a corporation for U.S. federal or state income tax purposes or otherwise subjecting us to entity level taxation. See “— The U.S. Congress has considered legislation that, if enacted, would have (a) for taxable years beginning ten years after the date of enactment, precluded us from qualifying as a partnership for U.S. federal income tax purposes or required us to hold carried interest through taxable subsidiary corporations and (b) taxed individual holders of common units with respect to certain income and gains at increased rates. If any similar legislation were to be enacted and apply to us, we could incur a material increase in our tax liability and a substantial portion of our income could be taxed at a higher rate to the individual holders of our common units.” For example, because of widespread state budget deficits, several states have evaluated ways to subject partnerships to entity level taxation through the imposition of state income, franchise or other forms of taxation. If any state were to impose a tax upon us as an entity, our distributions to our common unitholders would be reduced.

Our common unitholders may be subject to U.S. federal income tax on their share of our taxable income, regardless of whether they receive any cash distributions from us.

As long as 90% of our gross income for each taxable year constitutes qualifying income as defined in Section 7704 of the Internal Revenue Code and we are not required to register as an investment company under the

1940 Act on a continuing basis, we will be treated, for U.S. federal income tax purposes, as a partnership and not as an association or a publicly traded partnership taxable as a corporation. Accordingly, each unitholder will be required to take into account its allocable share of items of income, gain, loss and deduction of the Partnership. Distributions to a unitholder will generally be taxable to the unitholder for U.S. federal income tax purposes only to the extent the amount distributed exceeds the unitholder's tax basis in the unit. That treatment contrasts with the treatment of a shareholder in a corporation. For example, a shareholder in a corporation who receives a distribution of earnings from the corporation will generally report the distribution as dividend income for U.S. federal income tax purposes. In contrast, a holder of our units who receives a distribution of earnings from us will not report the distribution as dividend income (and will treat the distribution as taxable only to the extent the amount distributed exceeds the unitholder's tax basis in the units), but will instead report the holder's allocable share of items of our income for U.S. federal income tax purposes. As a result, our common unitholders may be subject to U.S. federal, state, local and possibly, in some cases, foreign income taxation on their allocable share of our items of income, gain, loss, deduction and credit (including our allocable share of those items of any entity in which we invest that is treated as a partnership or is otherwise subject to tax on a flow through basis) for each of our taxable years ending with or within your taxable year, regardless of whether or not a common unitholder receives cash distributions from us.

Our common unitholders may not receive cash distributions equal to their allocable share of our net taxable income or even the tax liability that results from that income. In addition, certain of our holdings, including holdings, if any, in a Controlled Foreign Corporation, or "CFC," and a Passive Foreign Investment Company, or "PFIC," may produce taxable income prior to the receipt of cash relating to such income, and common unitholders that are U.S. taxpayers will be required to take such income into account in determining their taxable income. In the event of an inadvertent termination of our partnership status for which the IRS has granted us limited relief, each holder of our common units may be obligated to make such adjustments as the IRS may require to maintain our status as a partnership. Such adjustments may require persons holding our common units to recognize additional amounts in income during the years in which they hold such units.

The Blackstone Group L.P.'s interest in certain of our businesses are held through Blackstone Holdings I/II GP Inc. or Blackstone Holdings IV GP L.P., which are treated as corporations for U.S. federal income tax purposes; such corporations may be liable for significant taxes and may create other adverse tax consequences, which could potentially adversely affect the value of your investment.

In light of the publicly traded partnership rules under U.S. federal income tax law and other requirements, The Blackstone Group L.P. holds its interest in certain of our businesses through Blackstone Holdings I/II GP Inc. or Blackstone Holdings IV GP L.P., which are treated as corporations for U.S. federal income tax purposes. Each such corporation could be liable for significant U.S. federal income taxes and applicable state, local and other taxes that would not otherwise be incurred, which could adversely affect the value of our common units.

Complying with certain tax-related requirements may cause us to invest through foreign or domestic corporations subject to corporate income tax or enter into acquisitions, borrowings, financings or arrangements we may not have otherwise entered into.

In order for us to be treated as a partnership for U.S. federal income tax purposes and not as an association or publicly traded partnership taxable as a corporation, we must meet the Qualifying Income Exception discussed above on a continuing basis and we must not be required to register as an investment company under the 1940 Act. In order to effect such treatment, we (or our subsidiaries) may be required to invest through foreign or domestic corporations subject to corporate income tax, or enter into acquisitions, borrowings, financings or other transactions we may not have otherwise entered into. This may adversely affect our ability to operate solely to maximize our cash flow.

Tax gain or loss on disposition of our common units could be more or less than expected.

If a holder of our common units sells the common units it holds, it will recognize a gain or loss equal to the difference between the amount realized and the adjusted tax basis in those common units. Prior distributions to such

common unitholder in excess of the total net taxable income allocated to such common unitholder, which decreased the tax basis in its common units, will in effect become taxable income to such common unitholder if the common units are sold at a price greater than such common unitholder's tax basis in those common units, even if the price is less than the original cost. A portion of the amount realized, whether or not representing gain, may be ordinary income to such common unitholder.

If we were not to make, or cause to be made, an otherwise available election under Section 754 of the Internal Revenue Code to adjust our asset basis or the asset basis of certain of the Blackstone Holdings Partnerships, a holder of common units could be allocated more taxable income in respect of those common units prior to disposition than if such an election were made.

We currently do not intend to make, or cause to be made, an election to adjust asset basis under Section 754 of the Internal Revenue Code with respect to us, Blackstone Holdings III L.P. or Blackstone Holdings IV L.P. If no such election is made, there will generally be no adjustment to the basis of the assets of Blackstone Holdings III L.P. or Blackstone Holdings IV L.P. upon our acquisition of interests in Blackstone Holdings III L.P. or Blackstone Holdings IV L.P. in connection with our initial public offering, or to our assets or to the assets of Blackstone Holdings III L.P. or Blackstone Holdings IV L.P. upon a subsequent transferee's acquisition of common units from a prior holder of such common units, even if the purchase price for those interests or units, as applicable, is greater than the share of the aggregate tax basis of our assets or the assets of Blackstone Holdings III L.P. or Blackstone Holdings IV L.P. attributable to those interests or units immediately prior to the acquisition. Consequently, upon a sale of an asset by us, Blackstone Holdings III L.P. or Blackstone Holdings IV L.P., gain allocable to a holder of common units could include built-in gain in the asset existing at the time we acquired those interests, or such holder acquired such units, which built-in gain would otherwise generally be eliminated if a Section 754 election had been made.

Non-U.S. persons face unique U.S. tax issues from owning common units that may result in adverse tax consequences to them.

In light of our investment activities, we will be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes, which may cause some portion of our income to be treated as effectively connected income with respect to non-U.S. holders, or "ECI." Moreover, dividends paid by an investment that we make in a real estate investment trust, or "REIT," that are attributable to gains from the sale of U.S. real property interests and sales of certain investments in interests in U.S. real property, including stock of certain U.S. corporations owning significant U.S. real property, may be treated as ECI with respect to certain non-U.S. holders. In addition, certain income of non-U.S. holders from U.S. sources not connected to any such U.S. trade or business conducted by us could be treated as ECI. To the extent our income is treated as ECI, non-U.S. holders generally would be subject to withholding tax on their allocable shares of such income, would be required to file a U.S. federal income tax return for such year reporting their allocable shares of income effectively connected with such trade or business and any other income treated as ECI, and would be subject to U.S. federal income tax at regular U.S. tax rates on any such income (state and local income taxes and filings may also apply in that event). Non-U.S. holders that are corporations may also be subject to a 30% branch profits tax on their allocable share of such income. In addition, certain income from U.S. sources that is not ECI allocable to non-U.S. holders may be reduced by withholding taxes imposed at the highest effective applicable tax rate. A portion of any gain recognized by a non-U.S. holder on the sale or exchange of common units could also be treated as ECI.

Tax-exempt entities face unique tax issues from owning common units that may result in adverse tax consequences to them.

In light of our investment activities, we will be treated as deriving income that constitutes "unrelated business taxable income," or "UBTI." Consequently, a holder of common units that is a tax-exempt organization may be subject to "unrelated business income tax" to the extent that its allocable share of our income consists of UBTI. A tax-exempt partner of a partnership could be treated as earning UBTI if the partnership regularly engages in a trade or business that is unrelated to the exempt function of the tax-exempt partner, if the partnership derives income from debt-financed property or if the partnership interest itself is debt-financed.

We cannot match transferors and transferees of common units, and we have therefore adopted certain income tax accounting positions that may not conform with all aspects of applicable tax requirements. The IRS may challenge this treatment, which could adversely affect the value of our common units.

Because we cannot match transferors and transferees of common units, we have adopted depreciation, amortization and other tax accounting positions that may not conform with all aspects of existing Treasury regulations. A successful IRS challenge to those positions could adversely affect the amount of tax benefits available to our common unitholders. It also could affect the timing of these tax benefits or the amount of gain on the sale of common units and could have a negative impact on the value of our common units or result in audits of and adjustments to our common unitholders' tax returns.

The sale or exchange of 50% or more of our capital and profit interests will result in the termination of our partnership for U.S. federal income tax purposes. We will be considered to have been terminated for U.S. federal income tax purposes if there is a sale or exchange of 50% or more of the total interests in our capital and profits within a 12-month period. Our termination would, among other things, result in the closing of our taxable year for all common unitholders and could result in a deferral of depreciation deductions allowable in computing our taxable income.

Common unitholders will be subject to state and local taxes and return filing requirements as a result of investing in our common units.

In addition to U.S. federal income taxes, our common unitholders are subject to other taxes, including state and local taxes, unincorporated business taxes and estate, inheritance or intangible taxes that are imposed by the various jurisdictions in which we do business or own property now or in the future, even if our common unitholders do not reside in any of those jurisdictions. Our common unitholders are likely to be required to file state and local income tax returns and pay state and local income taxes in some or all of these jurisdictions. Further, common unitholders may be subject to penalties for failure to comply with those requirements. It is the responsibility of each common unitholder to file all U.S. federal, state and local tax returns that may be required of such common unitholder. Our counsel has not rendered an opinion on the state or local tax consequences of an investment in our common units.

While we anticipate that we will be able to provide to each unitholder specific tax information within 90 days after the close of each calendar year, we cannot guarantee this will be the case. To the extent we are unable to furnish the information within 90 days, holders of common units who are U.S. taxpayers may need to file a request for an extension of the due date of their income return. In addition, it is possible that common unitholders may be required to file amended income tax returns.

It may require longer than 90 days after the end of our fiscal year to obtain the requisite information from all lower-tier entities so that K-1s may be prepared for the Partnership. For this reason, holders of common units who are U.S. taxpayers should anticipate the need to file annually with the IRS (and certain states) a request for an extension past April 15 or the otherwise applicable due date of their income tax return for the taxable year. In addition, it is possible that a common unitholder will be required to file amended income tax returns as a result of adjustments to items on the corresponding income tax returns of the partnership. Any obligation for a unitholder to file amended income tax returns for that or any other reason, including any costs incurred in the preparation or filing of such returns, is the responsibility of each common unitholder.

Certain U.S. holders of common units are subject to additional tax on "net investment income."

U.S. holders that are individuals, estates or trusts are subject to a Medicare tax of 3.8% on "net investment income" (or undistributed "net investment income," in the case of estates and trusts) for each taxable year, with such tax applying to the lesser of such income or the excess of such person's adjusted gross income (with certain adjustments) over a specified amount. Net investment income includes net income from interest, dividends, annuities, royalties and rents and net gain attributable to the disposition of investment property. Net income and gain attributable to an investment in the Partnership will be included in a U.S. holder's "net investment income" subject to this Medicare tax.

We may be liable for adjustments to our tax returns as a result of recently enacted legislation.

Legislation was recently enacted that significantly changes the rules for U.S. federal income tax audits of partnerships. Such audits will continue to be conducted at the partnership level, but with respect to tax returns for taxable years beginning after December 31, 2017, and, unless a partnership qualifies for and affirmatively elects an alternative procedure, any adjustments to the amount of tax due (including interest and penalties) will be payable by the partnership. Under the elective alternative procedure, a partnership would issue information returns to persons who were partners in the audited year, who would then be required to take the adjustments into account in calculating their own tax liability, and the partnership would not be liable for the adjustments. If a partnership elects the alternative procedure for a given adjustment, the amount of taxes for which its partners would be liable would be increased by any applicable penalties and a special interest charge. There can be no assurance that we will be eligible to make such an election or that we will, in fact, make such an election for any given adjustment. If we do not or are not able to make such an election, then (a) our then-current common unitholders, in the aggregate, could indirectly bear income tax liabilities in excess of the aggregate amount of taxes that would have been due had we elected the alternative procedure, and (b) a given common unitholder may indirectly bear taxes attributable to income allocable to other common unitholders or former common unitholders, including taxes (as well as interest and penalties) with respect to periods prior to such holder's ownership of common units. Amounts available for distribution to our common unitholders may be reduced as a result of our obligation to pay any taxes associated with an adjustment. Many issues and the overall effect of this new legislation on us are uncertain, and common unitholders should consult their own tax advisors regarding all aspects of this legislation as it affects their particular circumstances.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located in leased office space at 345 Park Avenue, New York, New York. As of December 31, 2015, we lease our offices in Beijing, Dubai, Dublin, Düsseldorf, Hong Kong, Houston, London, Los Angeles, Madrid, Montecito, Mexico City, Mumbai, Paris, Sao Paulo, Seoul, Shanghai, Singapore, Sydney, Tokyo and Toronto. We do not own any real property. We consider these facilities to be suitable and adequate for the management and operations of our business.

ITEM 3. LEGAL PROCEEDINGS

We may from time to time be involved in litigation and claims incidental to the conduct of our business. Our businesses are also subject to extensive regulation, which may result in regulatory proceedings against us. See "Item 1A. Risk Factors" above. We are not currently subject to any pending judicial, administrative or arbitration proceedings that we expect to have a material impact on our consolidated financial statements. However, given the inherent unpredictability of these types of proceedings and the potentially large and/or indeterminate amounts that could be sought, it is possible that an adverse outcome in certain matters could have a material effect on Blackstone's financial results in any particular period.

The SEC has publicly indicated that it is specifically focused on private equity practices regarding fees and other conflicts of interest, including, among other things, the widespread industry practice of receiving fees from portfolio companies in connection with the termination of monitoring agreements upon the initial public offering or disposition of such companies. The SEC had reviewed our historical monitoring fee practices in 2011 — 2012 in their regular exam process. In June 2014, we voluntarily modified our monitoring fee practices in ways that are beneficial to our private equity investors, including eliminating any such payments beyond the year of sale for full dispositions and limiting payments following IPOs. This followed the expansion in 2012 of the disclosure that was already being made to private equity investors regarding such fees. As previously disclosed, in October 2014 the SEC informally requested additional information about our historical monitoring fee termination practices. The SEC

also asked for additional information about certain pre-2011 practices relating to the application of disparate vendor discounts to Blackstone and to our funds that were changed in 2011 and had also been previously reviewed by the SEC in 2012. As previously disclosed in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2015, on October 7, 2015, without admitting or denying any wrongdoing, three of Blackstone's private equity fund advisers (the "Fund Advisers") consented to the entry of an order settling these matters in connection with funds formed many years ago. According to the SEC order, with respect to these legacy funds, the Fund Advisers did not provide sufficient pre-commitment disclosure regarding the possibility of accelerating otherwise authorized fees upon termination of monitoring fee agreements with their portfolio companies. The SEC order recognized, however, that such fees were disclosed in distribution notices, quarterly reports and in the case of initial public offerings of portfolio companies, in Form S-1 filings, and were subject to an explicit Limited Partner Advisory Committee objection right that was never exercised. The order also found that the Fund Advisers did not adequately disclose that certain legal fee discounts they received, prior to 2011, were greater than discounts received by the funds. The SEC order recognized, however, that in early 2011, the Fund Advisers voluntarily changed this policy. The Fund Advisers agreed as part of the settlement to pay disgorgement of \$26,225,203 (plus prejudgment interest of \$2,686,553) to limited partners of those funds and a civil monetary penalty of \$10,000,000 to the SEC.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common units representing limited partner interests are traded on the New York Stock Exchange ("NYSE") under the symbol "BX." Our common units began trading on the NYSE on June 22, 2007.

The number of holders of record of our common units as of February 19, 2016 was 98. This does not include the number of unitholders that hold common units in "street name" through banks or broker-dealers.

The following table sets forth the high and low intra-day sales prices per common unit, for the periods indicated, as reported by the NYSE and the per unit common unitholder distributions for the indicated fiscal quarters:

	2015			2014		
	High	Low	Common Unitholder Distributions (a)	High	Low	Common Unitholder Distributions (a)
First Quarter	\$39.62	\$32.36	\$ 0.89	\$35.39	\$29.51	\$ 0.35
Second Quarter	\$44.43	\$38.31	\$ 0.74	\$34.48	\$27.56	\$ 0.55
Third Quarter	\$42.60	\$28.56	\$ 0.49	\$36.08	\$30.71	\$ 0.44
Fourth Quarter	\$35.24	\$26.82	\$ 0.61	\$34.70	\$26.56	\$ 0.78

(a) Per common unit, presented on a fiscal quarter basis.

Cash Distribution Policy

With respect to fiscal year 2015, we have paid to common unitholders distributions of \$0.89, \$0.74, \$0.49 and \$0.61 per common unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.73 per common unit. We have also paid to the Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships distributions of \$0.90, \$0.74, \$0.49 and \$0.65 per Blackstone Holdings Partnership Unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.78 per Blackstone Holdings Partnership Unit.

With respect to fiscal year 2014, we paid to common unitholders distributions of \$0.35, \$0.55, \$0.44 and \$0.78 per common unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.12 per common unit. We also paid \$0.38, \$0.60, \$0.56 and \$0.92 per Blackstone Holdings Partnership Unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.46 per Blackstone Holdings Partnership Unit.

Distributable Earnings, which is a component of Economic Net Income, is the sum across all segments of: (a) Total Management and Advisory Fees, (b) Interest and Dividend Revenue, (c) Other Revenue, (d) Realized Performance Fees, and (e) Realized Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Performance Fee Compensation, (c) Other Operating Expenses, and (d) Taxes and Payables Under the Tax Receivable Agreement.

Our intention is to distribute quarterly to common unitholders approximately 85% of The Blackstone Group L.P.'s share of Distributable Earnings, subject to adjustment by amounts determined by Blackstone's general partner to be necessary or appropriate to provide for the conduct of its business, to make appropriate investments in its business and funds, to comply with applicable law, any of its debt instruments or other agreements, or to provide for future cash requirements such as tax-related payments, clawback obligations and distributions to unitholders for any ensuing quarter. The amount distributed could also be adjusted upward in any one quarter.

All of the foregoing is subject to the qualification that the declaration and payment of any distributions are at the sole discretion of our general partner, and our general partner may change our distribution policy at any time, including, without limitation, to eliminate such distributions entirely.

Because The Blackstone Group L.P. is a holding partnership and has no material assets other than its ownership of partnership units in Blackstone Holdings held through wholly owned subsidiaries, we fund distributions by The Blackstone Group L.P., if any, in three steps:

- First, we cause Blackstone Holdings to make distributions to its partners, including The Blackstone Group L.P.'s wholly owned subsidiaries. If Blackstone Holdings makes such distributions, the limited partners of Blackstone Holdings will be entitled to receive equivalent distributions pro rata based on their partnership interests in Blackstone Holdings (except as set forth in the following paragraph),
- Second, we cause The Blackstone Group L.P.'s wholly owned subsidiaries to distribute to The Blackstone Group L.P. their share of such distributions, net of the taxes and amounts payable under the tax receivable agreement by such wholly owned subsidiaries, and
- Third, The Blackstone Group L.P. distributes its net share of such distributions to our common unitholders on a pro rata basis.

Because the wholly owned subsidiaries of The Blackstone Group L.P. must pay taxes and make payments under the tax receivable agreements described in Note 17. "Related Party Transactions" in the "Notes to Consolidated Financial Statements" in "— Item 8. Financial Statements and Supplementary Data," the amounts ultimately distributed by The Blackstone Group L.P. to its common unitholders are expected to be less, on a per unit basis, than the amounts distributed by the Blackstone Holdings Partnerships to the Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships in respect of their Blackstone Holdings Partnership Units.

In addition, the partnership agreements of the Blackstone Holdings Partnerships provide for cash distributions, which we refer to as "tax distributions," to the partners of such partnerships if the wholly owned subsidiaries of The Blackstone Group L.P. which are the general partners of the Blackstone Holdings Partnerships determine that the taxable income of the relevant partnership will give rise to taxable income for its partners. Generally, these tax distributions will be computed based on our estimate of the net taxable income of the relevant partnership allocable to a partner multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident in New York, New York (taking into account the nondeductibility of certain expenses and the character of our income). The Blackstone Holdings Partnerships will make tax distributions only to the extent distributions from such partnerships for the relevant year were otherwise insufficient to cover such estimated assumed tax liabilities.

Under the Delaware Limited Partnership Act, we may not make a distribution to a partner if after the distribution all our liabilities, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of our assets. If we were to make such an impermissible distribution, any limited partner who received a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Limited Partnership Act would be liable to us for the amount of the distribution for three years. In addition, the terms of our revolving credit facility or other financing arrangements may from time to time include covenants or other restrictions that could constrain our ability to make distributions.

Unit Repurchases in the Fourth Quarter of 2015

In January 2008, the Board of Directors of our general partner, Blackstone Group Management L.L.C., authorized the repurchase of up to \$500 million of Blackstone common units and Blackstone Holdings Partnership Units. Under this unit repurchase program, units may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of Blackstone common units and Blackstone Holdings Partnership Units repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The unit repurchase program may be suspended or discontinued at any time and does not have a specified expiration date. During the three months ended December 31, 2015, no units were repurchased. As of December 31, 2015, the amount remaining under this program available for repurchases was \$335.8 million. See “Item 8. Financial Statements and Supplementary Data — Notes to Consolidated Financial Statements — Note 15. Net Income Per Common Unit” and “— Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources — Liquidity Needs” for further information regarding this unit repurchase program.

As permitted by our policies and procedures governing transactions in our securities by our directors, executive officers and other employees, from time to time some of these persons may establish plans or arrangements complying with Rule 10b5-1 under the Exchange Act, and similar plans and arrangements relating to our common units and Blackstone Holdings Partnership Units.

ITEM 6. SELECTED FINANCIAL DATA

The consolidated statements of financial condition and income data as of and for the five years ended December 31, 2015 have been derived from our consolidated financial statements. The audited Consolidated Statements of Financial Condition as of December 31, 2015 and 2014 and the Consolidated Statements of Operations for the years ended December 31, 2015, 2014 and 2013 are included elsewhere in this Form 10-K. The audited Consolidated Statements of Financial Condition as of December 31, 2013, 2012 and 2011 and the Consolidated Statements of Operations for the years ended December 31, 2012 and 2011 are not included in this Form 10-K. Historical results are not necessarily indicative of results for any future period.

The selected consolidated financial data should be read in conjunction with “— Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements and related notes included elsewhere in this Form 10-K:

	Year Ended December 31,				
	2015	2014	2013	2012	2011
	(Dollars in Thousands)				
Revenues					
Management and Advisory Fees, Net	\$2,542,505	\$2,497,252	\$2,193,985	\$2,030,693	\$1,811,750
Performance Fees	1,796,666	4,374,262	3,544,057	1,593,052	1,182,660
Investment Income	204,642	534,000	800,308	350,194	213,323
Interest and Dividend Revenue and Other	102,739	79,214	74,818	45,502	44,843
Total Revenues	<u>4,646,552</u>	<u>7,484,728</u>	<u>6,613,168</u>	<u>4,019,441</u>	<u>3,252,576</u>
Expenses					
Compensation and Benefits	2,290,751	3,154,371	3,257,667	2,605,244	2,738,425
General, Administrative and Other	576,103	549,463	474,442	548,738	566,313
Interest Expense	144,522	121,524	107,973	72,870	57,824
Fund Expenses	79,499	30,498	26,658	33,829	25,507
Total Expenses	<u>3,090,875</u>	<u>3,855,856</u>	<u>3,866,740</u>	<u>3,260,681</u>	<u>3,388,069</u>
Other Income					
Reversal of Tax Receivable Agreement Liability	82,707	—	20,469	—	197,816
Net Gains from Fund Investment Activities	176,364	357,854	381,664	256,145	14,935
Total Other Income	<u>259,071</u>	<u>357,854</u>	<u>402,133</u>	<u>256,145</u>	<u>212,751</u>
Income Before Provision for Taxes	<u>1,814,748</u>	<u>3,986,726</u>	<u>3,148,561</u>	<u>1,014,905</u>	<u>77,258</u>
Provision for Taxes	<u>190,398</u>	<u>291,173</u>	<u>255,642</u>	<u>185,023</u>	<u>345,711</u>
Net Income (Loss)	<u>1,624,350</u>	<u>3,695,553</u>	<u>2,892,919</u>	<u>829,882</u>	<u>(268,453)</u>
Net Income (Loss) Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	<u>11,145</u>	<u>74,794</u>	<u>183,315</u>	<u>103,598</u>	<u>(24,869)</u>
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	<u>219,900</u>	<u>335,070</u>	<u>198,557</u>	<u>99,959</u>	<u>7,953</u>
Net Income (Loss) Attributable to Non-Controlling Interests in Blackstone Holdings	<u>683,516</u>	<u>1,701,100</u>	<u>1,339,845</u>	<u>407,727</u>	<u>(83,234)</u>
Net Income (Loss) Attributable to The Blackstone Group L.P.	<u>\$ 709,789</u>	<u>\$ 1,584,589</u>	<u>\$ 1,171,202</u>	<u>\$ 218,598</u>	<u>\$ (168,303)</u>

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net Income (Loss) Per Common Unit, Basic and Diluted					
Common Units, Basic	\$1.12	\$2.60	\$2.00	\$0.41	\$(0.35)
Common Units, Diluted	\$1.04	\$2.58	\$1.98	\$0.41	\$(0.35)
Distributions Declared Per Common Unit (a)	\$2.90	\$1.92	\$1.18	\$0.52	\$ 0.62

- (a) Distributions declared reflects the calendar date of declaration for each distribution. The fourth quarter distribution, if any, for any fiscal year will be declared and paid in the subsequent fiscal year. For fiscal year 2015, we declared a final fourth quarter distribution per common unit of \$0.61, which was paid in February 2016.

	December 31,				
	2015	2014	2013	2012	2011
	(Dollars in Thousands)				
Statement of Financial Condition Data					
Total Assets (a)	\$ 22,526,080	\$ 31,497,097	\$ 29,668,959	\$ 28,921,060	\$ 21,903,378
Senior Notes	\$ 2,797,060	\$ 2,136,706	\$ 1,654,659	\$ 1,660,361	\$ 1,045,954
Total Liabilities (a)	\$ 10,295,623	\$ 14,163,550	\$ 15,291,288	\$ 17,706,113	\$ 12,651,092
Redeemable Non-Controlling Interests in Consolidated Entities	\$ 183,459	\$ 2,441,854	\$ 1,950,442	\$ 1,556,185	\$ 1,091,833
Total Partners' Capital	\$ 12,046,998	\$ 14,891,693	\$ 12,427,229	\$ 9,658,762	\$ 8,160,453

- (a) The decrease in total assets, total liabilities and redeemable non-controlling interests in consolidated entities from December 31, 2014 to December 31, 2015 was principally due to the adoption as of January 1, 2015 of new accounting consolidation guidance which resulted in the deconsolidation of certain Blackstone Funds. For more information, see "Item 8. Financial Statements and Supplementary Data — Notes to Consolidated Financial Statements — Note 2. Summary of Significant Accounting Policies — Recent Accounting Developments." The increase in total assets and total liabilities from December 31, 2011 to December 31, 2012 was principally due to the acquisition of Harbourmaster, a leading European leveraged loan manager and adviser and the resultant GAAP required consolidation of certain managed CLO vehicles.

ITEM 7. 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 consolidated financial statements and the related notes included within this Annual Report on Form 10-K.

Our Business

Blackstone is one of the largest independent managers of private capital in the world. Our business is organized into four segments:

- **Private Equity.** We are a world leader in private equity investing, having managed six general private equity funds, as well as two sector focused funds, since we established this business in 1987. We refer to these managed corporate private equity funds collectively as our Blackstone Capital Partners ("BCP") funds. Our Private Equity segment also includes Blackstone Tactical Opportunities ("Tactical Opportunities"), our opportunistic investment platform that invests globally across asset classes, industries and geographies, Strategic Partners Fund Solutions ("Strategic Partners"), a secondary private fund of funds business, Blackstone Total Alternatives Solution ("BTAS"), a new multi-asset investment program for eligible high net worth investors offering exposure to certain of Blackstone's key illiquid investment strategies through a single commitment, and our capital markets services business ("BXXM"). Our corporate private equity business pursues transactions throughout the world across a variety of transaction types, including large buyouts, mid-cap buyouts, buy and build platforms (which involve multiple acquisitions behind a single management team and platform) and growth equity/development projects (which involve significant minority investments in mature companies and greenfield development projects in energy and power). Tactical Opportunities seeks to capitalize on time-sensitive, complex and dislocated market situations across asset classes, industries and geographies in a broad range of investments, including private and public securities, and instruments, where the underlying exposure may be to equity, debt, and/or real assets. Strategic Partners focuses on delivering access to a range of opportunities, leveraging its proprietary database to acquire single fund interests or complex portfolios in an efficient and timely manner.
- **Real Estate.** Since our start in 1991, we have become a world leader in real estate investing. We have managed or continue to manage a number of global, European and Asian focused opportunistic real estate funds, several real estate debt investment vehicles, a NYSE publicly traded real estate investment trust ("BXMT") and several core+ real estate funds. We refer to our opportunistic real estate funds as our Blackstone Real Estate Partners ("BREP") funds, our real estate debt investment vehicles as our Blackstone Real Estate Debt Strategies ("BREDS") funds and our core+ real estate funds as our Blackstone Property Partners ("BPP") funds.

Our BREP funds are geographically diversified and target a broad range of "opportunistic" real estate and real estate related investments that are generally undermanaged assets with higher potential for equity appreciation. BREP has made significant investments in lodging, office buildings, shopping centers, residential and a variety of real estate operating companies.

Our BREDS' vehicles target real estate debt related investment opportunities in the public and private markets, primarily in the United States and Europe.

Our BPP funds are geographically diversified and target substantially stabilized assets generating relatively stable cash flow with a focus on office, multifamily, industrial and retail assets in gateway markets.

- **Hedge Fund Solutions.** Blackstone's Hedge Fund Solutions segment is comprised principally of Blackstone Alternative Asset Management ("BAAM"). BAAM is the world's largest discretionary allocator to hedge funds, managing a broad range of commingled and customized hedge fund of fund solutions since its inception in 1990. The Hedge Fund Solutions segment also includes investment

platforms that seed new hedge fund talent, purchase ownership interests in more established hedge funds, invest in special situation opportunities, create alternative solutions in regulated structures and trade long and short public equities.

- **Credit.** Our Credit segment consists principally of GSO Capital Partners LP (“GSO”), a global leader in managing credit-focused products within private and public debt market strategies. GSO’s products include senior credit-focused funds, mezzanine funds, distressed debt funds, general credit-focused funds, registered investment companies, separately managed accounts and collateralized loan obligation (“CLO”) vehicles.

Please see “— Significant Transactions” below for information regarding the previously reported Financial Advisory segment.

We generate revenue from fees earned pursuant to contractual arrangements with funds, fund investors and fund portfolio companies (including management, transaction and monitoring fees), and from capital markets services. We invest in the funds we manage and, in most cases, 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 (generally collectively referred to as “Performance Fees”). The composition of our revenues will vary based on market conditions and the cyclicity of the different businesses in which we operate. Net investment gains and investment income generated by the Blackstone Funds, principally private equity and real estate funds, are driven by value created by our operating and strategic initiatives as well as overall market conditions. Fair values are affected by changes in the fundamentals of the portfolio company, the portfolio company’s industry, the overall economy and other market conditions.

Business Environment

Blackstone’s businesses are materially affected by conditions in the financial markets and economic conditions in the U.S., Europe, Asia and, to a lesser extent, elsewhere in the world.

Global equity indices were marked by high volatility during 2015, with the CBOE volatility index reaching its highest levels since 2011. Equity markets began 2015 on strong footing, but suffered declines in the second half of the year, as concerns about slowing growth in China and its implications for global economic growth, falling oil and commodity prices and central bank monetary policy began to weigh heavily on market sentiment. The trends had varying impacts on full-year equity market performance: the S&P 500 ended the year down 0.7%, the MSCI World Index was down 2.7%, the FTSE 100 was down 4.9%, and the Hang Seng down 7.2%; other indices had positive performance, including the NASDAQ up 5.7%, Euro Stoxx 50 up 3.8%, the Nikkei 225 up 9.1%.

Signs of slowing Chinese growth continued to emerge during 2015 and slowing momentum in the economy fed into Chinese investor sentiment. At an official growth rate of 6.9%, China registered its slowest annual GDP growth rate in nearly 25 years. After the Shanghai composite gained more than 50% to reach its all-time high in the first half of the year, it fell more than more than 30% in the second half of 2015, and ended the year up 9%. In an effort to boost the economy, the People’s Bank of China enacted a number of stimulus measures during 2015, and seemed likely to continue these efforts in 2016. China also allowed the yuan to depreciate against the U.S. Dollar and renewed the possibility it would move towards pegging the yuan against a basket of global currencies to give it greater flexibility to manage its monetary policy.

Oil prices continued their downward trend in 2015, falling more than 30% and ending the year at \$37 a barrel. Resilient production in the U.S. and globally, ample existing supply, and reduced demand from key emerging economies, including China and India, were all contributing factors. U.S. retail gas prices fell to \$2.00 a gallon, a six-year low, but the impact to overall consumer spending remained unclear. Large energy producers reported sharp declines in earnings and spending cutbacks feeding into longer-term concerns for U.S. employment and job growth.

In addition to oil and gas, prices for other commodities also fell in 2015. The impact of falling commodity prices was felt particularly hard in many commodity-driven emerging market countries in 2015. A number of Latin American currencies depreciated by double-digit percentages against the U.S. dollar, with the Argentine peso and Brazilian real each losing around half their value. Many Latin American equity indices also exhibited sharp declines, including the Brazilian Bovespa, which declined by more than 13% in 2015.

Against the backdrop of growing global investor pessimism and energy sector weakness, the U.S. economy continued to show signs of strength overall in 2015. The U.S. continued to grow real GDP at over 2% and ended the year with 5.0% unemployment, its lowest level since early 2008. Controlling for inflation, consumer spending held steady. In December 2015, the Federal Reserve raised interest rates from a target range of 0 to 0.25% to a range of 0.25% to 0.50% and stated intentions to raise rates at a “gradual” pace going forward while continuing to monitor economic conditions in the U.S. and globally. The rate increase ended a historic second year near-zero interest rate environment.

Concerns about global growth prospects, liquidity, energy exposure and uncertainty on interest rates also weighed on credit markets. High yield spreads widened materially to nearly 750 basis points, an increase of almost 200 basis points, and high-yield issuance fell significantly in 2015. Global equity capital market activity for both IPOs and follow-ons fell significantly year-over-year, driven by declining U.S. and European volumes in the midst of heightened market volatility.

Significant Transactions

On October 1, 2015, Blackstone completed the previously-announced spin-off of the operations that have historically constituted Blackstone’s Financial Advisory segment, other than Blackstone’s capital markets services business. Blackstone’s capital markets services business was retained and was not part of the spin-off. The financial and strategic advisory services, restructuring and reorganization advisory services and Park Hill Group businesses were spun-off from Blackstone and combined with PJT Capital LP, an independent financial advisory firm founded by Paul J. Taubman, to form an independent, publicly traded company called PJT Partners Inc.

Concurrently with the spin-off, the results attributable to the capital markets services business, BXCM, from its inception in the three months ended March 31, 2013 through the period ended September 30, 2015 were reclassified to the Private Equity segment. For periods after September 30, 2015, the recast Financial Advisory segment has no results of operations. The recast historical Financial Advisory segment includes financial and strategic advisory services, restructuring and reorganization services and fund placement services for alternative investment funds.

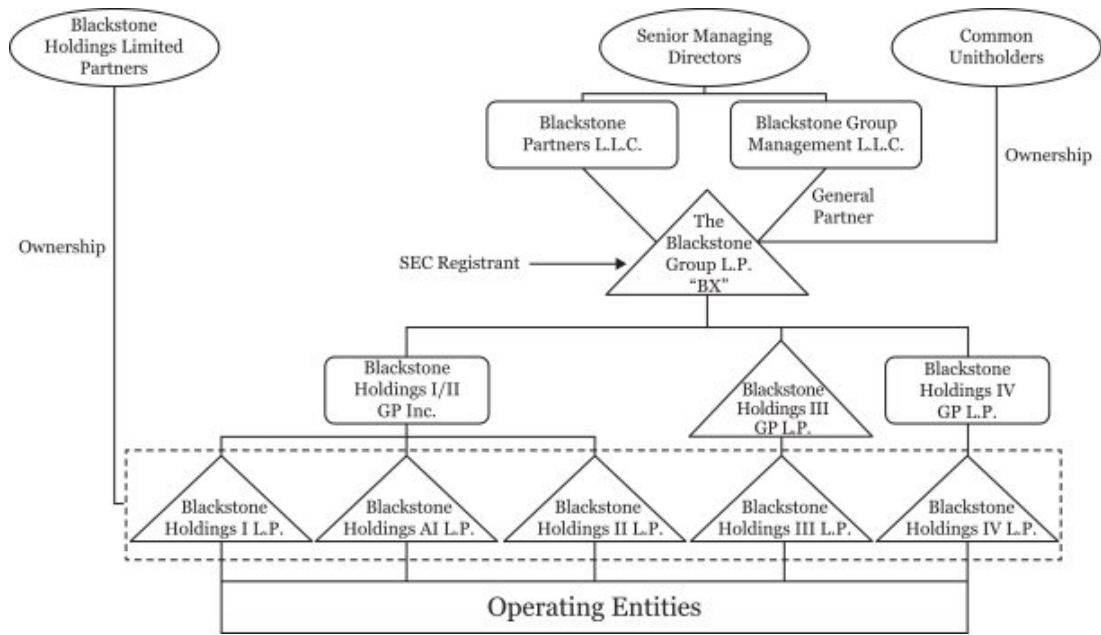
On October 1, 2015, Blackstone formed a new holding partnership, Blackstone Holdings AI L.P., which will hold certain operating entities and operate in a manner similar to the existing Blackstone Holdings Partnerships.

On May 19, 2015, Blackstone issued €300 million in aggregate principal amount of 2.000% senior notes which will mature on May 19, 2025.

On April 27, 2015, Blackstone issued \$350 million in aggregate principal amount of 4.450% senior notes which will mature on July 15, 2045.

Organizational Structure

The simplified diagram below depicts our organizational structure. The diagram does not depict all of our subsidiaries, including intermediate holding companies through which certain of the subsidiaries depicted are held.



(See “— Significant Transactions” above for additional information on our organizational structure.)

Key Financial Measures and Indicators

We manage our business using traditional financial measures and key operating metrics since we believe these metrics measure the productivity of our investment activities. Our key financial measures and indicators are discussed below.

Revenues

Revenues primarily consist of management and advisory fees, performance fees, investment income, interest and dividend revenue and other. Please refer to “Part I. Item 1. Business — Incentive Arrangements / Fee Structure” and “— Critical Accounting Policies — Revenue Recognition” for additional information regarding the manner in which Base Management Fees and Performance Fees are generated.

Management and Advisory Fees, Net — Management and Advisory Fees, Net are comprised of management fees, including base management fees, transaction and other fees and advisory fees net of management fee reductions and offsets.

The Partnership earns base management fees from limited partners of funds in each of its managed funds, at a fixed percentage of assets under management, net asset value, total assets, committed capital or invested capital, or in some cases, a fixed fee. Base management fees are recognized based on contractual terms specified in the underlying investment advisory agreements.

Transaction and other fees (including monitoring fees) are fees charged directly to managed funds and portfolio companies. The investment advisory agreements generally require that the investment adviser reduce the amount of management fees payable by the limited partners to the Partnership (“management fee reductions”) by an amount equal to a portion of the transaction and other fees directly paid to the Partnership by the portfolio companies. The amount of the reduction varies by fund, the type of fee paid by the portfolio company and the previously incurred expenses of the fund.

Management fee offsets are reductions to management fees payable by the limited partners of the Blackstone Funds, which are granted based on the amount such limited partners reimburse the Blackstone Funds for placement fees.

Advisory fees consist of advisory retainer and transaction-based fee arrangements related to financial and strategic advisory services, restructuring and reorganization advisory services, capital markets services and fund placement services for alternative investment funds. Advisory retainer fees are recognized when services for the transactions are complete, in accordance with terms set forth in individual agreements. Transaction-based fees are recognized when (a) there is evidence of an arrangement with a client, (b) agreed upon services have been provided, (c) fees are fixed or determinable, and (d) collection is reasonably assured. Fund placement fees are recognized as earned upon the acceptance by a fund of capital or capital commitments.

Accrued but unpaid Management and Advisory Fees, net of management fee reductions and management fee offsets, as of the reporting date are included in Accounts Receivable or Due from Affiliates in the Consolidated Statements of Financial Condition. Management fees paid by limited partners to the Blackstone Funds and passed on to Blackstone are not considered affiliate revenues.

Performance Fees — Performance Fees earned on the performance of Blackstone’s hedge fund structures (“Incentive Fees”) are recognized based on fund performance during the period, subject to the achievement of minimum return levels, or high water marks, in accordance with the respective terms set out in each hedge fund’s governing agreements. Accrued but unpaid Incentive Fees charged directly to investors in Blackstone’s offshore hedge funds as of the reporting date are recorded within Due from Affiliates in the Consolidated Statements of Financial Condition. Accrued but unpaid Incentive Fees on onshore funds as of the reporting date are reflected in Investments in the Consolidated Statements of Financial Condition. Incentive Fees are realized at the end of a measurement period, typically annually. Once realized, such fees are not subject to clawback or reversal.

In certain fund structures, specifically in private equity, real estate and certain hedge fund solutions and credit-focused funds (“Carry Funds”), performance fees (“Carried Interest”) are allocated to the general partner based on cumulative fund performance to date, subject to a preferred return to limited partners. At the end of each reporting period, the Partnership calculates the Carried Interest that would be due to the Partnership for each fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as Carried Interest to reflect either (a) positive performance resulting in an increase in the Carried Interest allocated to the general partner or (b) negative performance that would cause the amount due to the Partnership to be less than the amount previously recognized as revenue, resulting in a negative adjustment to Carried Interest allocated to the general partner. In each scenario, it is necessary to calculate the Carried Interest on cumulative results compared to the Carried Interest recorded to date and make the required positive or negative adjustments. The Partnership ceases to record negative Carried Interest allocations once previously recognized Carried Interest allocations for such fund have been fully reversed. The Partnership is not obligated to pay guaranteed returns or hurdles, and therefore, cannot have negative Carried Interest over the life of a fund. Accrued but unpaid Carried Interest as of the reporting date is reflected in Investments in the Consolidated Statements of Financial Condition.

Carried Interest is realized when an underlying investment is profitably disposed of and the fund’s cumulative returns are in excess of the preferred return or, in limited instances, after certain thresholds for return of capital are

met. Carried Interest is subject to clawback to the extent that the Carried Interest received to date exceeds the amount due to Blackstone based on cumulative results. As such, the accrual for potential repayment of previously received Carried Interest, which is a component of Due to Affiliates, represents all amounts previously distributed to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone Funds if the Blackstone Carry Funds were to be liquidated based on the current fair value of the underlying funds' investments as of the reporting date. The actual clawback liability, however, generally does not become realized until the end of a fund's life except for certain funds, including certain Blackstone real estate funds, multi-asset class investment funds and credit-focused funds, which may have an interim clawback liability.

Investment Income (Loss) — Investment Income (Loss) represents the unrealized and realized gains and losses on the Partnership's principal investments, including its investments in Blackstone Funds that are not consolidated, its equity method investments, and other principal investments. Investment Income (Loss) is realized when the Partnership redeems all or a portion of its investment or when the Partnership receives cash income, such as dividends or distributions. Unrealized Investment Income (Loss) results from changes in the fair value of the underlying investment as well as the reversal of unrealized gain (loss) at the time an investment is realized.

Interest and Dividend Revenue — Interest and Dividend Revenue comprises primarily interest and dividend income earned on principal investments held by Blackstone.

Other Revenue — Other Revenue consists of miscellaneous income and foreign exchange gains and losses arising on transactions denominated in currencies other than U.S. dollars.

Expenses

Compensation and Benefits — Compensation — Compensation and Benefits consists of (a) employee compensation, comprising salary and bonus, and benefits paid and payable to employees and senior managing directors and (b) equity-based compensation associated with the grants of equity-based awards to employees and senior managing directors. Compensation cost relating to the issuance of equity-based awards to senior managing directors and employees is measured at fair value at the grant date, taking into consideration expected forfeitures, and expensed over the vesting period on a straight-line basis, except in the case of (a) equity-based awards that do not require future service, which are expensed immediately and (b) certain awards to recipients that meet specified criteria making them eligible for retirement treatment (allowing such recipient to keep a percentage of those awards upon departure from Blackstone after becoming eligible for retirement), for which the expense for the portion of the award that would be retained in the event of retirement is either expensed immediately or amortized to the retirement date. Cash settled equity-based awards are classified as liabilities and are remeasured at the end of each reporting period.

Compensation and Benefits — Performance Fee — Performance Fee Compensation consists of Carried Interest (which may be distributed in cash or in-kind) and Incentive Fee allocations, and may in future periods also include allocations of investment income from Blackstone's firm investments, to employees and senior managing directors participating in certain profit sharing initiatives. Such compensation expense is subject to both positive and negative adjustments. Unlike Carried Interest and Incentive Fees, compensation expense is based on the performance of individual investments held by a fund rather than on a fund by fund basis. Compensation received from advisory clients in the form of securities of such clients may also be allocated to employees and senior managing directors.

Other Operating Expenses — Other Operating Expenses represents general and administrative expenses including interest expense, occupancy and equipment expenses and other expenses, which consist principally of professional fees, public company costs, travel and related expenses, communications and information services and depreciation and amortization.

Fund Expenses — The expenses of our consolidated Blackstone Funds consist primarily of interest expense, professional fees and other third party expenses.

Non-Controlling Interests in Consolidated Entities

Non-Controlling Interests in Consolidated Entities represent the component of Partners' Capital in consolidated Blackstone Funds held by third party investors and employees. The percentage interests held by third parties and employees is adjusted for general partner allocations and by subscriptions and redemptions in funds of hedge funds and certain credit-focused funds which occur during the reporting period. In addition, all non-controlling interests in consolidated Blackstone Funds are attributed a share of income (loss) arising from the respective funds and a share of other comprehensive income, if applicable. Income (Loss) is allocated to non-controlling interests in consolidated entities based on the relative ownership interests of third party investors and employees after considering any contractual arrangements that govern the allocation of income (loss) such as fees allocable to The Blackstone Group L.P.

Redeemable Non-Controlling Interests in Consolidated Entities

Non-controlling interests related to funds of hedge funds and certain other credit-focused funds are subject to annual, semi-annual or quarterly redemption by investors in these funds following the expiration of a specified period of time, or may be withdrawn subject to a redemption fee in the funds of hedge funds and certain credit-focused funds during the period when capital may not be withdrawn. As limited partners in these types of funds have been granted redemption rights, amounts relating to third party interests in such consolidated funds are presented as Redeemable Non-Controlling Interests in Consolidated Entities within the Consolidated Statements of Financial Condition. When redeemable amounts become legally payable to investors, they are classified as a liability and included in Accounts Payable, Accrued Expenses and Other Liabilities in the Consolidated Statements of Financial Condition. For all consolidated funds in which redemption rights have not been granted, non-controlling interests are presented within Partners' Capital in the Consolidated Statements of Financial Condition as Non-Controlling Interests in Consolidated Entities.

Non-Controlling Interests in Blackstone Holdings

Non-Controlling Interests in Blackstone Holdings represent the component of Partners' Capital in the consolidated Blackstone Holdings Partnerships held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Certain costs and expenses are borne directly by the Holdings Partnerships. Income (Loss), excluding those costs directly borne by and attributable to the Holdings Partnerships, is attributable to Non-Controlling Interests in Blackstone Holdings. This residual attribution is based on the year to date average percentage of Blackstone Holdings Partnership Units held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Income Taxes

The Blackstone Holdings Partnerships and certain of their subsidiaries 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 are subject to New York City unincorporated business taxes or non-U.S. income taxes. In addition, certain of the wholly owned subsidiaries of the Partnership and the Blackstone Holdings Partnerships will be subject to federal, state and local corporate income taxes at the entity level and the related tax provision attributable to the Partnership's share of this income tax is reflected in the Consolidated Financial Statements.

Income taxes are accounted for using the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax basis, using tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets are reduced by a valuation allowance when

it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current and deferred tax liabilities are recorded within Accounts Payable, Accrued Expenses and Other Liabilities in the Consolidated Statements of Financial Condition.

Blackstone uses the flow-through method to account for investment tax credits. Under this method, the investment tax credits are recognized as a reduction to income tax expense.

Blackstone analyzes its tax filing positions in all of the U.S. federal, state, local and foreign tax jurisdictions where it is required to file income tax returns, as well as for all open tax years in these jurisdictions. Blackstone records uncertain tax positions on the basis of a two-step process: (a) a determination is made whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (b) those tax positions that meet the more-likely-than-not threshold are recognized as the largest amount of tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with the related tax authority. Blackstone recognizes accrued interest and penalties related to uncertain tax positions in General, Administrative, and Other expenses within the Consolidated Statements of Operations.

There remains some uncertainty regarding Blackstone's future taxation levels. Over the past several years, a number of legislative and administrative proposals to change the taxation of Carried Interest have been introduced and, in certain cases, have been passed by the U.S. House of Representatives that would have, in general, treated income and gains, including gain on sale, attributable to an investment services partnership interest, or "ISPI," as income subject to a new blended tax rate that is higher than the capital gains rate applicable to such income under current law, except to the extent such ISPI would have been considered under the legislation to be a qualified capital interest. Our common units and the interests that we hold in entities that are entitled to receive Carried Interest would likely have been classified as ISPIs for purposes of this legislation. It is unclear whether or when the U.S. Congress will pass such legislation or what provisions will be included in any final legislation if enacted.

Some legislative proposals have provided that, for taxable years beginning ten years after the date of enactment, income derived with respect to an ISPI that is not a qualified capital interest and that is subject to the foregoing rules would not meet the qualifying income requirements under the publicly traded partnership rules. Therefore, if similar legislation were to be enacted, following such ten-year period, we would be precluded from qualifying as a partnership for U.S. federal income tax purposes or be required to hold all such ISPIs through corporations.

The Obama administration has made similar proposals that would tax income and gain, including gain on sale, attributable to an ISPI at ordinary rates, with an exception for certain qualified capital interests. The proposals would also characterize certain income and gain in respect of ISPIs as non-qualifying income under the tax rules applicable to publicly traded partnerships after a ten-year transition period from the effective date, with an exception for certain qualified capital interests. The Obama administration proposed similar changes in its published revenue proposals for 2015 and prior years.

States and other jurisdictions have also considered legislation to increase taxes with respect to Carried Interest. For example, New York has considered legislation, which could have caused a non-resident of New York who holds our common units to be subject to New York state income tax on carried interest earned by entities in which we hold an indirect interest, thereby requiring the non-resident to file a New York state income tax return reporting such carried interest income. It is unclear whether or when similar legislation will be enacted. Finally, several state and local jurisdictions have evaluated ways to subject partnerships to entity level taxation through the imposition of state or local income, franchise or other forms of taxation or to increase the amount of such taxation.

If we were taxed as a corporation or were forced to hold interests in entities earning income from Carried Interest through taxable subsidiary corporations, our effective tax rate could increase significantly. The federal statutory rate for corporations is currently 35%, and the state and local tax rates, net of the federal benefit, aggregate approximately 5%. If a variation of the above described legislation or any other change in the tax laws, rules,

regulations or interpretations preclude us from qualifying for treatment as a partnership for U.S. federal income tax purposes under the publicly traded partnership rules or force us to hold interests in entities earning income from Carried Interest through taxable subsidiary corporations, this could materially increase our tax liability, and could well result in a reduction in the market price of our common units.

It is not possible at this time to meaningfully quantify the potential impact on Blackstone of this potential future legislation or any similar legislation. Multiple versions of legislation in this area have been proposed over the last few years that have included significantly different provisions regarding effective dates and the treatment of invested capital, tiered entities and cross-border operations, among other matters. Depending upon what version of the legislation, if any, were enacted, the potential impact on a public company such as Blackstone in a given year could differ dramatically and could be material. In addition, these legislative proposals would not themselves impose a tax on a publicly traded partnership such as Blackstone. Rather, they could force Blackstone and other publicly traded partnerships to restructure their operations so as to prevent disqualifying income from reaching the publicly traded partnership in amounts that would disqualify the partnership from treatment as a partnership for U.S. federal income tax purposes. Such a restructuring could result in more income being earned in corporate subsidiaries, thereby increasing corporate income tax liability indirectly borne by the publicly traded partnership. In addition, we, and our common unitholders, could be taxed on any such restructuring. The nature of any such restructuring would depend on the precise provisions of the legislation that was ultimately enacted, as well as the particular facts and circumstances of Blackstone's operations at the time any such legislation were to take effect, making the task of predicting the amount of additional tax highly speculative.

The Obama administration has announced other proposals for potential reform to the U.S. federal income tax rules for businesses, including reducing the deductibility of interest for corporations, reducing the top marginal rate on corporations and subjecting entities currently treated as partnerships for tax purposes to an entity level income tax similar to the corporate income tax. Several proposals for reform if enacted could adversely affect us. It is unclear what any actual legislation would provide, when it would be proposed or what its prospects for enactment would be.

Other proposals by members of Congress have contemplated the migration of the United States from a "worldwide" system of taxation, pursuant to which U.S. corporations are taxed on their worldwide income, to a territorial system where U.S. corporations are taxed only on their U.S. source income (subject to certain exceptions for income derived in low-tax jurisdictions from the exploitation of tangible assets) at a top corporate tax rate that would be 25%. Such proposals include revenue raisers to offset the reduction in the tax rate and base which may or may not be detrimental to us. A variation of this proposal completes a similar territorial U.S. tax system, but with more expansive U.S. taxation of the foreign profits of non-U.S. subsidiaries of U.S. corporations. Such proposal would also eliminate the withholding tax exemption on portfolio interest debt obligations for investors residing in non-treaty jurisdictions. Speaker of the House Paul Ryan has also identified comprehensive tax reform as a priority for the next Congress. Furthermore, recent legislation has proposed audit procedure adjustments that could affect large partnerships like us. Whether these proposals will be enacted by the government and in what form is unknown, as are the ultimate consequences of the proposed legislation.

Economic Income

Blackstone uses Economic Income ("EI") as a key measure of value creation, a benchmark of its performance and in making resource deployment and compensation decisions across its four segments. EI represents segment net income before taxes excluding transaction-related charges. Transaction-related charges arise from Blackstone's IPO and long-term retention programs outside of annual deferred compensation and other corporate actions, including acquisitions. Transaction-related charges include equity-based compensation charges, the amortization of intangible assets and contingent consideration associated with acquisitions. EI presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages. Economic Net Income ("ENI") represents EI adjusted to include current period taxes. Taxes represent the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes. EI, our principal segment measure, is derived from and reconciled to, but not equivalent to, its

most directly comparable GAAP measure of Income (Loss) Before Provision for Taxes. (See Note 21. “Segment Reporting” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data”.)

Fee Related Earnings

Blackstone uses Fee Related Earnings (“FRE”), which is derived from EI, as a measure to highlight earnings from operations excluding: (a) the income related to performance fees and related carry plan costs and (b) income earned from Blackstone’s investments in the Blackstone Funds. Management uses FRE as a measure to assess whether recurring revenue from our businesses is sufficient to adequately cover all of our operating expenses and generate profits. FRE equals contractual fee revenues, less (a) compensation expenses (which includes amortization of non-IPO and non-acquisition-related equity-based awards, but excludes amortization of IPO and acquisition-related equity-based awards, Carried Interest and incentive fee compensation) and (b) non-interest operating expenses. See “— Liquidity and Capital Resources — Sources of Liquidity” below for our discussion of FRE.

Effective January 1, 2015 Blackstone redefined FRE to exclude Interest Income and Dividend Revenue, Interest Expense and Investment Income (Loss) — Blackstone Treasury Cash Management Strategies. All previously reported periods have been conformed to the new definition.

Distributable Earnings

Distributable Earnings, which is derived from our segment reported results, is a supplemental measure to assess performance and amounts available for distributions to Blackstone unitholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. Distributable Earnings, which is a measure not prepared under GAAP (a “non-GAAP” measure), is intended to show the amount of net realized earnings without the effects of the consolidation of the Blackstone Funds. Distributable Earnings is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision for Taxes. See “— Liquidity and Capital Resources — Sources of Liquidity” below for our discussion of Distributable Earnings.

Distributable Earnings, which is a component of Economic Net Income, is the sum across all segments of: (a) Total Management and Advisory Fees, (b) Interest and Dividend Revenue, (c) Other Revenue, (d) Realized Performance Fees, and (e) Realized Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Performance Fee Compensation, (c) Other Operating Expenses, and (d) Taxes and Payables Under the Tax Receivable Agreement.

As a result of the redefinition of FRE noted above, effective January 1, 2015, Distributable Earnings was redefined to exclude Unrealized Investment Income (Loss) — Blackstone Treasury Cash Management Strategies. All previously reported periods have been conformed to the new definition.

Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization

Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization (“Adjusted EBITDA”), is a supplemental non-GAAP measure derived from our segment reported results and may be used to assess our ability to service our borrowings. Adjusted EBITDA represents Distributable Earnings plus the addition of (a) Interest Expense, (b) Taxes and Related Payables Including Payable Under Tax Receivable Agreement, and (c) Depreciation and Amortization. See “— Liquidity and Capital Resources — Sources of Liquidity” below for our calculation of Adjusted EBITDA.

Summary Walkdown of GAAP to Non-GAAP Financial Metrics

The relationship of our GAAP to non-GAAP financial measures is presented in the summary walkdown below. The summary walkdown shows how each non-GAAP financial measure is related to the other non-GAAP financial measures. This presentation is not meant to be a detailed calculation of each measure, but to show the relationship between the

measures. For the calculation of each of these non-GAAP financial measures and a full reconciliation of Income Before Provision for Taxes to Distributable Earnings, please see “— Liquidity and Capital Resources — Sources of Liquidity.”

(Dollars in Millions)		2015	2014	2013
GAAP	Income Before Provision for Taxes	\$ 1,815	\$3,987	\$3,149
	+ Transaction-Related Charges			
Economic Income “EI”	+ Amortization of Intangibles			
	– (Income) Associated with Non-Controlling Interests of Consolidating Entities			
	= Economic Income	\$2,178	\$4,544	\$3,596
	– Performance Fee Adjustment			
Fee Related Earnings “FRE”	– Investment (Income) Loss Adjustment			
	+ Net Interest Loss			
	+ Performance Fee Compensation and Benefit Adjustment			
	= Fee Related Earnings	\$936	\$1,003	\$798
	+ Net Realized Performance Fees			
	+ Realized Investment Income			
Distributable Earnings “DE”	– Net Interest (Loss)			
	– Taxes and Related Payables Including Payable Under Tax Receivable Agreement			
	+ Equity-Based Compensation			
	= Distributable Earnings	\$3,844	\$3,064	\$1,869

Operating Metrics

The alternative asset management business is a complex business that is primarily based on managing third party capital and does not require substantial capital investment to support rapid growth. However, there also can be volatility associated with its earnings and cash flows. 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 equals the sum of:

- (a) the fair value of the investments held by our carry funds and our side-by-side and co-investment entities managed by us, plus the capital that we are entitled to call from investors in those funds and entities

pursuant to the terms of their respective capital commitments, including capital commitments to funds that have yet to commence their investment periods,

- (b) the net asset value of our funds of hedge funds, hedge funds and certain registered investment companies,
- (c) the invested capital or fair value of assets we manage pursuant to separately managed accounts,
- (d) the amount of debt and equity outstanding for our CLOs and CDOs during the reinvestment period,
- (e) the aggregate par amount of collateral assets, including principal cash, for our CLOs and CDOs after the reinvestment period,
- (f) the gross amount of assets (including leverage) for certain of our credit-focused registered investment companies, and
- (g) the fair value of common stock, preferred stock, convertible debt, or similar instruments issued by our public REIT.

Our carry funds are commitment-based drawdown structured funds that do not permit investors to redeem their interests at their election. Our funds of hedge funds and hedge funds generally have structures that afford an investor the right to withdraw or redeem their interests on a periodic basis (for example, annually or quarterly), in most cases upon advance written notice, with the majority of our funds requiring from 60 days up to 95 days' notice, depending on the fund and the liquidity profile of the underlying assets. Investment advisory agreements related to separately managed accounts may generally be terminated by an investor on 30 to 90 days' notice.

Fee-Earning Assets Under Management . Fee-Earning Assets Under Management refers to the assets we manage on which we derive management and/or performance fees. Our Fee-Earning Assets Under Management equals the sum of:

- (a) for our Private Equity segment funds and Real Estate segment carry funds including certain real estate debt investment funds and certain of our Hedge Fund Solutions funds, the amount of capital commitments, remaining invested capital, fair value or par value of assets held, depending on the fee terms of the fund,
- (b) for our credit-focused carry funds, the amount of remaining invested capital (which may include leverage) or net asset value, depending on the fee terms of the fund,
- (c) the remaining invested capital of co-investments managed by us on which we receive fees,
- (d) the net asset value of our funds of hedge funds, hedge funds and certain registered investment companies,
- (e) the invested capital or fair value of assets we manage pursuant to separately managed accounts,
- (f) the net proceeds received from equity offerings and accumulated core earnings of our REITs, subject to certain adjustments,
- (g) the aggregate par amount of collateral assets, including principal cash, of our CLOs and CDOs, and
- (h) the gross amount of assets (including leverage) for certain of our credit-focused registered investment companies.

Our calculations of assets under management and fee-earning 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. In addition, our calculation of assets under management includes commitments to, and the fair value of, invested capital in our funds from Blackstone and our personnel, regardless of whether such commitments or invested capital are subject to fees. Our definitions of assets under management or fee-earning assets under management are not based on any definition of assets under management or fee-earning assets under management that is set forth in the agreements governing the investment funds that we manage.

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For our carry funds, total assets under management includes the fair value of the investments held, whereas fee-earning assets under management includes the amount of capital commitments, the remaining amount of invested capital at cost depending on whether the investment period has or has not expired or the fee terms of the fund. As such, fee-earning assets under management may be greater than total assets under management when the aggregate fair value of the remaining investments is less than the cost of those investments.

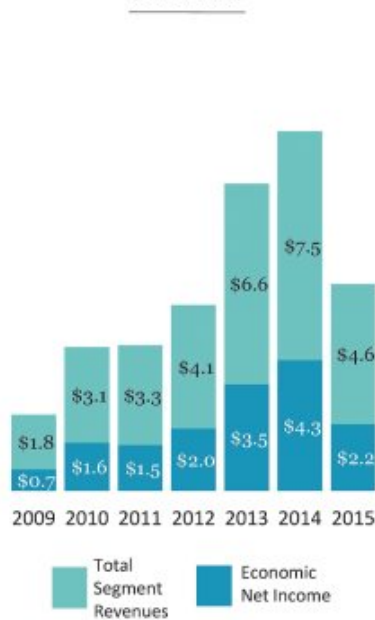
Limited Partner Capital Invested. Limited Partner Capital Invested represents the amount of Limited Partner capital commitments which were invested by our carry and drawdown funds during each period presented, plus the capital invested through co-investments arranged by us that were made by limited partners in investments of our carry funds on which we receive fees or a Carried Interest allocation or Incentive Fee.

The amount of committed undrawn capital available for investment, including general partner and employee commitments, is known as dry powder and is an indicator of the capital we have available for future investments.

Financial Highlights

The following charts highlight certain financial metrics ^(a) :

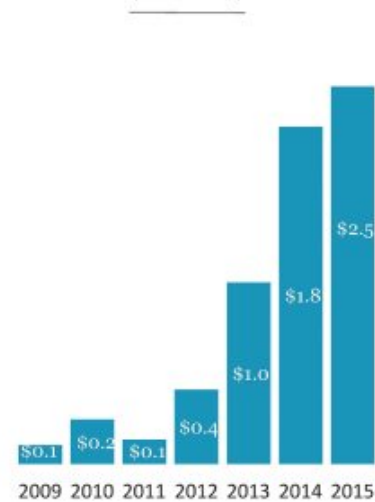
Total Segment Revenues and ENI
(Dollars in Billions)



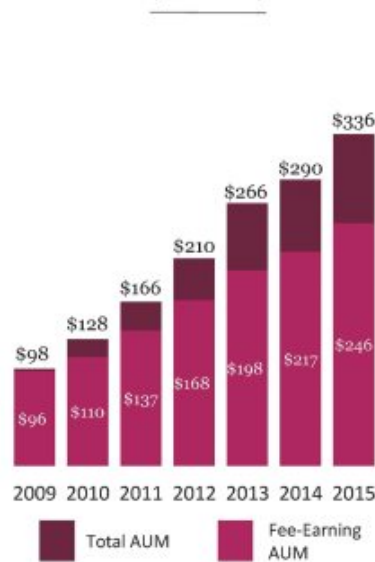
Distributable Earnings and FRE
(Dollars in Billions)



Net Realized Performance Fees
(Dollars in Billions)



Total and Fee-Earning AUM
(Dollars in Billions)



- (a) Total Revenues represents the total segment amounts. Net Realized Performance Fees represents total segment Performance Fees for Realized Carried Interest and Realized Incentive Fees less Performance Fee Compensation for Realized Carried Interest and Realized Incentive Fees. See Note 21. “Segment Reporting” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing. For the components of Distributable Earnings and Fee Related Earnings, see the reconciliation of Fee Related Earnings, Distributable Earnings and Economic Net Income at “— Liquidity and Capital Resources — Sources of Liquidity” below. For Total and Fee-Earning Assets Under Management, see “— Consolidated Results of Operations — Operating Metrics” below.

Consolidated Results of Operations

Following is a discussion of our consolidated results of operations for each of the years in the three year period ended December 31, 2015. 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.

Please see “— Significant Transactions” above for important information regarding the previously reported Financial Advisory segment.

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The following table sets forth information regarding our consolidated results of operations and certain key operating metrics for the years ended December 31, 2015, 2014 and 2013:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Revenues							
Management and Advisory Fees, Net	\$ 2,542,505	\$2,497,252	\$2,193,985	\$ 45,253	2%	\$ 303,267	14%
Performance Fees							
Realized							
Carried Interest	3,205,290	2,450,082	943,958	755,208	31%	1,506,124	160%
Incentive Fees	193,238	249,005	464,838	(55,767)	-22%	(215,833)	-46%
Unrealized							
Carried Interest	(1,595,174)	1,704,924	2,158,010	(3,300,098)	N/M	(453,086)	-21%
Incentive Fees	(6,688)	(29,749)	(22,749)	23,061	-78%	(7,000)	31%
Total Performance Fees	1,796,666	4,374,262	3,544,057	(2,577,596)	-59%	830,205	23%
Investment Income (Loss)							
Realized	555,171	523,735	188,644	31,436	6%	335,091	178%
Unrealized	(350,529)	10,265	611,664	(360,794)	N/M	(601,399)	-98%
Total Investment Income	204,642	534,000	800,308	(329,358)	-62%	(266,308)	-33%
Interest and Dividend Revenue	94,957	69,809	64,511	25,148	36%	5,298	8%
Other	7,782	9,405	10,307	(1,623)	-17%	(902)	-9%
Total Revenues	4,646,552	7,484,728	6,613,168	(2,838,176)	-38%	871,560	13%
Expenses							
Compensation and Benefits							
Compensation	1,726,191	1,868,868	1,844,485	(142,677)	-8%	24,383	1%
Performance Fee Compensation							
Realized							
Carried Interest	793,801	815,643	257,201	(21,842)	-3%	558,442	217%
Incentive Fees	85,945	110,099	200,915	(24,154)	-22%	(90,816)	-45%
Unrealized							
Carried Interest	(312,696)	379,037	966,717	(691,733)	N/M	(587,680)	-61%
Incentive Fees	(2,490)	(19,276)	(11,651)	16,786	-87%	(7,625)	65%
Total Compensation and Benefits	2,290,751	3,154,371	3,257,667	(863,620)	-27%	(103,296)	-3%
General, Administrative and Other	576,103	549,463	474,442	26,640	5%	75,021	16%
Interest Expense	144,522	121,524	107,973	22,998	19%	13,551	13%
Fund Expenses (a)	79,499	30,498	26,658	49,001	161%	3,840	14%
Total Expenses (a)	3,090,875	3,855,856	3,866,740	(764,981)	-20%	(10,884)	-0%
Other Income							
Reversal of Tax Receivable Agreement Liability	82,707	—	20,469	82,707	N/M	(20,469)	-100%
Net Gains from Fund Investment Activities	176,364	357,854	381,664	(181,490)	-51%	(23,810)	-6%
Total Other Income	259,071	357,854	402,133	(98,783)	-28%	(44,279)	-11%
Income Before Provision for Taxes (a)	1,814,748	3,986,726	3,148,561	(2,171,978)	-54%	838,165	27%
Provision for Taxes	190,398	291,173	255,642	(100,775)	-35%	35,531	14%
Net Income (a)	1,624,350	3,695,553	2,892,919	(2,071,203)	-56%	802,634	28%
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	11,145	74,794	183,315	(63,649)	-85%	(108,521)	-59%
Net Income Attributable to Non-Controlling Interests in Consolidated Entities (a)	219,900	335,070	198,557	(115,170)	-34%	136,513	69%
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	683,516	1,701,100	1,339,845	(1,017,584)	-60%	361,255	27%
Net Income Attributable to The Blackstone Group L.P.	\$ 709,789	\$1,584,589	\$1,171,202	\$ (874,800)	-55%	\$ 413,387	35%

(a) The amounts reported for the year ended December 31, 2015 reflect an adjustment from those reported in our earnings release dated January 28, 2016.
N/M Not meaningful.

*Year Ended December 31, 2015 Compared to Year Ended December 31, 2014**Revenues*

Total Revenues were \$4.6 billion for the year ended December 31, 2015, a decrease of \$2.8 billion, or 38%, compared to \$7.5 billion for the year ended December 31, 2014. The decrease was primarily attributable to decreases in Performance Fees and Investment Income of \$2.6 billion and \$329.4 million, respectively.

During 2015, the operating environment for equity and credit investing was characterized by concerns related to macroeconomic developments, including the economic outlook in China and the United States, as well as significantly lower global equity prices, widening high-yield credit spreads and declining energy prices. The decline in equity markets and turbulence in the credit markets adversely impacted our Performance Fees and Investment Income relative to 2014. The lower rate of fund appreciation in 2015 relative to 2014 was due, in significant part, to the declines in our publicly-traded portfolio companies in the second half, particularly in lodging and energy. To a lesser extent, the results were impacted by certain unrealized markdowns in energy and credit and currency translation effects on some of our non-U.S. holdings. Growth in global gross domestic product slowed in 2015 and resulted in a slowdown of certain sectors and regions in our global portfolio. If macroeconomic conditions were to deteriorate in the future with a resulting decline in our fund investments, our revenues would likely be negatively impacted. See “— Segment Analysis” below for further information about material trends and uncertainties that may impact our results of operations.

Performance Fees, which are determined on a fund by fund basis, were \$1.8 billion for the year ended December 31, 2015, a decrease of \$2.6 billion compared to \$4.4 billion for the year ended December 31, 2014. The decrease in Performance Fees was primarily due to decreases in our Private Equity, Real Estate, and Credit segments of \$1.2 billion, \$1.0 billion and \$270.4 million, respectively. The decrease in our Private Equity segment was principally due to lower net returns in our corporate private equity portfolio, despite overall solid net performance. Performance Fees in our Real Estate segment decreased due to a year over year decrease in the net appreciation of investments in our BREP carry funds from 20.9% to 9.7%. For the year ended December 31, 2015, the increase in carrying value of assets for Blackstone’s contributed Real Estate opportunistic funds was driven by sustained strong operating fundamentals in the private portfolio resulting in appreciation of 16.6%, offset by public portfolio depreciation of 8.6%, particularly in lodging. Performance Fees decreased in our Credit segment due to our energy investments, overall declines in the credit market, underperformance in certain event-driven assets and technical pressure caused by year end selling.

Investment Income was \$204.6 million for the year ended December 31, 2015, a decrease of \$329.4 million compared to \$534.0 million for the year ended December 31, 2014. The decrease in Investment Income was primarily due to decreases in our Real Estate and Private Equity segments of \$246.5 million and \$105.5 million, respectively. The decrease in our Real Estate segment was primarily due to a year over year net depreciation of investments in our BREP VI fund. Blackstone has a larger investment in BREP VI than in other BREP funds. The decrease in our Private Equity segment was driven by our BCP V and BCP VI funds which generated strong net returns of 8.1% and 7.9%, respectively, for the year but were slightly lower than the returns generated in the full year 2014 mainly as a result of the lower returns in our public portfolio and certain investment markdowns in energy.

Expenses

Expenses were \$3.1 billion for the year ended December 31, 2015, a decrease of \$765.0 million compared to \$3.9 billion for the year ended December 31, 2014. The decrease was primarily attributable to decreases in Performance Fee Compensation and Compensation of \$720.9 million and \$142.7 million, respectively, partially offset by increases of \$49.0 million and \$23.0 million in Fund Expenses and Interest Expense, respectively. Performance Fee Compensation is derived from Performance Fee Revenue. The decrease in Performance Fee Compensation was due to the decrease in Performance Fee Revenue. The decrease in Compensation was primarily due to lower equity-based compensation expense related to awards granted in connection with Blackstone’s IPO,

which were fully vested and expensed as of June 30, 2015 and an overall decrease in headcount driven by the October 1, 2015 spin-off of Blackstone's Financial Advisory business. The decrease was partially offset by an increase in equity-based amortization charges due to the 2014 change in terms of Deferred Compensation Plan awards which require future service and are therefore expensed over the service period. The increase in General, Administrative and Other was primarily due to transactional charges associated with the spin-off, non-recurring costs related to the SEC settlement, occupancy increases and business development costs. Due to the spin-off, partially offsetting these increases was a reduction in expenses directly incurred by the Advisory business. The \$23.0 million increase in interest expense was primarily related to Blackstone's issuance of senior notes in the second quarter of 2015. The increase in Fund Expenses primarily occurred in our Credit segment, where it was attributable to newly launched CLOs and an increase in other expenses.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

Total Revenues were \$7.5 billion for the year ended December 31, 2014, an increase of \$871.6 million, or 13%, compared to \$6.6 billion for the year ended December 31, 2013. The increase was primarily attributable to increases in Performance Fees and Management and Advisory Fees, Net of \$830.2 million and \$303.3 million, respectively. These increases were partially offset by a decrease in Investment Income of \$266.3 million.

Performance Fees, which are determined on a fund by fund basis, were \$4.4 billion for the year ended December 31, 2014, an increase of \$830.2 million compared to \$3.5 billion for the year ended December 31, 2013. The increase in Performance Fees was primarily driven by increases in our Private Equity segment of \$1.2 billion, principally due to performance in our BCP V and BCP VI funds, which generated net returns of 24% and 18%, respectively, with BCP V crossing its preferred return threshold during the period. Performance Fees in our Real Estate segment decreased by \$137.8 million to \$2.0 billion due to a year over year decrease in the net appreciation of investments in our BREP carry funds from 31.3% to 20.9%. For the year ended December 31, 2014, the increase in carrying value of assets for Blackstone's contributed Real Estate funds, including fee-paying co-investments, was driven by sustained strong operating fundamentals in the private portfolio (23.2%, \$8.8 billion) and public portfolio appreciation (17.0%, \$3.7 billion). Performance Fees decreased by \$75.8 million in our Hedge Fund Solutions segment due to lower returns. Performance Fees decreased by \$199.9 million in our Credit segment due to challenging market conditions for lower rated credits in our hedge fund strategies business and a lower rate of appreciation in our rescue lending business.

Total Management and Advisory Fees, Net were \$2.5 billion for the year ended December 31, 2014, an increase of \$303.3 million compared to \$2.2 billion for the year ended December 31, 2013. The increase in Management and Advisory Fees, Net was due to increases in our Hedge Fund Solutions segment of \$72.0 million, our Private Equity segment of \$71.9 million, our Real Estate segment of \$63.6 million, and our Credit segment of \$63.8 million. The increase in our Hedge Fund Solutions segment was primarily due to an increase in Fee-Earning Assets Under Management. The increase in our Private Equity segment was primarily due to the increase in the funds raised for our Tactical Opportunities investment vehicles and Strategic Partners secondary private fund of funds business as well as the inclusion of the Strategic Partners management fees for the full year. The increase in our Real Estate segment was principally due to fees generated from fundraising within BREP Europe IV, BREP Asia, BPP and invested capital within BREDS, partially offset by the expiration of BREP V and realizations across the portfolio. The increase in our Credit segment was driven by the incremental capital raised for our hedge fund strategies business and business development companies.

Investment Income was \$534.0 million for the year ended December 31, 2014, a decrease of \$266.3 million compared to \$800.3 million for the year ended December 31, 2013. The decrease in Investment Income was primarily due to decreases in our Real Estate and Private Equity segments of \$152.4 million and \$71.0 million, respectively. The decrease in our Real Estate segment was due to a year over year decrease in the net appreciation of investments in our BREP VI fund. Blackstone has a larger investment in BREP VI than in other BREP funds. The decrease in our Private Equity segment was driven by our BCP V and BEP funds which generated strong net returns of 24% and 12%, respectively, for the year but were slightly lower than the returns generated in the full year 2013.

Expenses

Expenses were \$3.9 billion for the year ended December 31, 2014, a decrease of \$10.9 million compared to \$3.9 billion for the year ended December 31, 2013. The decrease was primarily attributable to a decrease in Performance Fee Compensation of \$127.7 million, partially offset by increases of \$75.0 million, \$24.4 million and \$13.6 million, respectively, in General, Administrative and Other, Compensation and Interest Expense. The decrease in Performance Fee Compensation was due to lower compensation ratios on Performance Fee Revenue and pre-IPO deals. A significant amount of the Performance Fees granted to employees on deals closed prior to the IPO were exchanged for units of Blackstone at the time of the IPO. Therefore, for these pre-IPO deals, Blackstone retains significantly more of the Performance Fees that it earns than it does for deals closed after the IPO. This results in lower Performance Fee Compensation for pre-IPO deals. The \$75.0 million increase in General, Administrative and Other was primarily due to spin-off transaction related charges, professional fees, occupancy increases and business development costs. The \$24.4 million increase in Compensation was due to an overall increase in revenue, on which compensation is based, offset by lower equity-based amortization charges on our transaction-related awards and a reduction of compensation expense due to a change in the terms of Deferred Compensation Plan awards which require future service and are therefore no longer expensed immediately. This resulted in \$102.6 million less Compensation recorded in the fourth quarter of 2014 than would have been recorded under the prior plan. The \$13.6 million increase in Interest Expense was primarily related to Blackstone's issuance of senior notes during the second quarter of 2014.

Other Income

Other Income — Net Gains from Fund Investment Activities is attributable to the consolidated Blackstone Funds which are largely held by third party investors. As such, most of this Other Income was eliminated from the results attributable to The Blackstone Group L.P. through the redeemable non-controlling interests and non-controlling interests items in the Consolidated Statements of Operations.

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Other Income was \$259.1 million for the year ended December 31, 2015, a decrease of \$98.8 million compared to \$357.9 million for the year ended December 31, 2014. The decrease was due to a decrease in Net Gains from Fund Investment Activities of \$181.5 million, partially offset by an increase due to a Reversal of Tax Receivable Agreement Liability of \$82.7 million.

Other Income — Net Gains from Fund Investment Activities was \$176.4 million for the year ended December 31, 2015, a decrease of \$181.5 million compared to \$357.9 million for the year ended December 31, 2014. This decrease was primarily comprised of decreases in our Real Estate, Hedge Fund Solutions and Private Equity segments of \$148.3 million, \$73.8 million and \$62.0 million, respectively, partially offset by an increase of \$102.7 million in our Credit segment. The Real Estate decrease was primarily the result of the deconsolidation of certain funds as well as a year over year net decreases in the appreciation of investments across our funds. The decrease in our Hedge Fund Solutions segment was primarily the result of a decrease in investment performance and the deconsolidation of a number of funds. The decrease in our Private Equity segment was primarily due to the lower unrealized gains compared to the same period in 2014. The increase in our Credit segment was primarily due to lower valuations on the liabilities of certain consolidated CLO vehicles, which led to increases in unrealized gains.

For the year ended December 31, 2015, there was a Reversal of Tax Receivable Agreement Liability resulting in an increase of \$82.7 million.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Other Income was \$357.9 million for the year ended December 31, 2014, a decrease of \$44.3 million compared to \$402.1 million for the year ended December 31, 2013. The decrease was comprised of decreases in Net Gains from Fund Investment Activities of \$23.8 million and Reversal of Tax Receivable Agreement Liability of \$20.5 million.

Other Income — Net Gains from Fund Investment Activities was \$357.9 million for the year ended December 31, 2014, a decrease of \$23.8 million compared to \$381.7 million for the year ended December 31, 2013. This decrease was primarily comprised of decreases in our Hedge Fund Solutions and Private Equity segments of \$99.4 million and \$25.0 million, respectively, partially offset by increases of \$40.7 million and \$39.4 million in our Real Estate and Credit segments, respectively. The decrease in our Hedge Fund Solutions segment was primarily the result of a decrease in investment performance from certain of our consolidated funds. The Real Estate increase was driven by valuation gains on investments across our global Real Estate funds. The increase in our Credit segment was primarily due to lower valuations on the liabilities of certain consolidated CLO vehicles, which led to increases in unrealized gains.

For the year ended December 31, 2014, there was no Reversal of Tax Receivable Agreement Liability resulting in a decrease of \$20.5 million.

Provision for Taxes

Blackstone's Provision for Taxes for the years ended December 31, 2015, 2014 and 2013 was \$190.4 million, \$291.2 million and \$255.6 million, respectively. This resulted in an effective tax rate of 10.5%, 7.3% and 8.1%, respectively, based on our Income Before Provision for Taxes of \$1.8 billion, \$4.0 billion and \$3.1 billion, respectively.

The primary factor that contributed to the 3.2% increase in the effective tax rate for the year ended December 31, 2015 compared to the year ended December 31, 2014 is that pre-tax book income includes \$1.2 billion for 2015 and \$3.3 billion for 2014 of pre-tax income that is passed through to common unitholders and non-controlling interest holders and is not subject to tax by the Partnership and its subsidiaries. This resulted in a 6.4% increase to the effective tax rate in 2015 compared to 2014, which is partially offset by a 3.5% decrease to the effective tax rate when comparing 2015 to 2014 resulting from increased interest expense.

The primary factor that contributed to the 0.8% decrease in the effective tax rate for the year ended December 31, 2014 compared to the year ended December 31, 2013 is the amount that book equity-based compensation expense exceeded the tax deductible equity-based compensation expense due to the issuance of units that are not tax deductible since they represent a value for value exchange for tax purposes. Although this amount did not change significantly in 2014 compared to 2013, pre-tax book income was significantly higher in 2014 than 2013 resulting in a decrease to the effective rate of 0.5% when comparing 2014 to 2013.

All factors except for the reversal of the deferred tax asset are expected to impact the effective tax rate for future years.

Additional information regarding our income taxes can be found in Note 14. "Income Taxes" in the "Notes to Consolidated Financial Statements" in "— Item 8. Financial Statements and Supplementary Data" of this filing.

Non-Controlling Interests in Consolidated Entities

The Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities and Net Income Attributable to Non-Controlling Interests in Consolidated Entities is attributable to the consolidated Blackstone Funds. The amounts of these items vary directly with the performance of the consolidated Blackstone Funds and largely eliminate the amount of Other Income — Net Gains from Fund Investment Activities from the Net Income (Loss) Attributable to The Blackstone Group L.P.

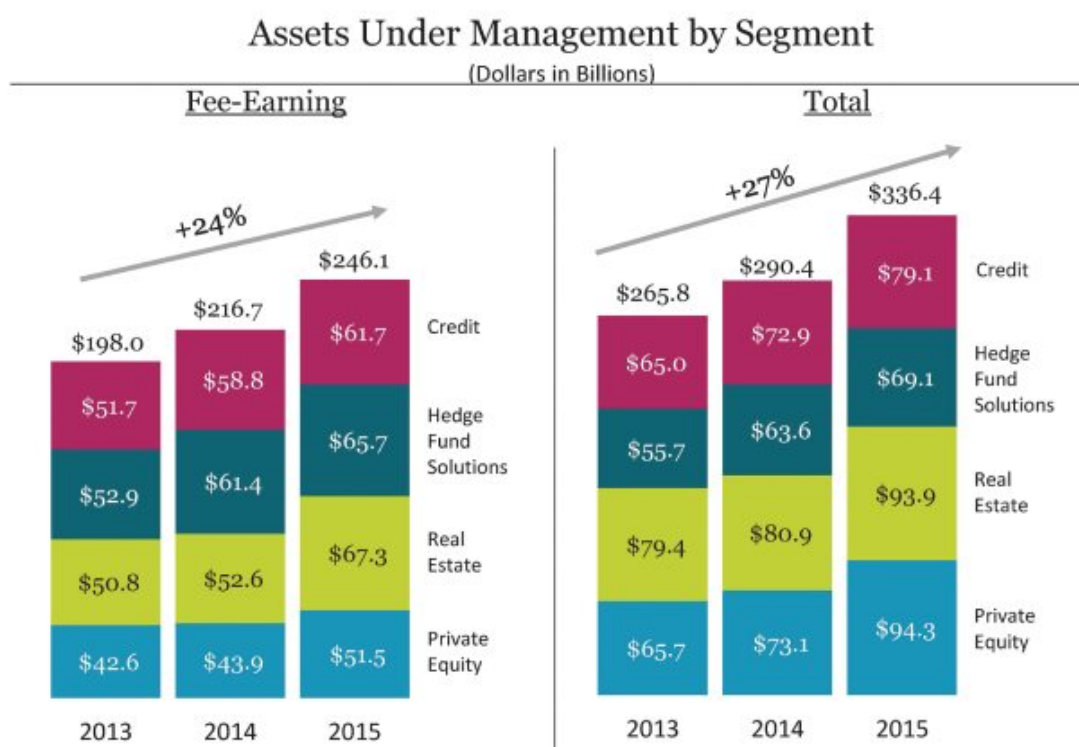
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings is derived from the Income Before Provision for Taxes, excluding the Net Gains from Fund Investment Activities and the Reversal of Tax Receivable Agreement Liability, and the percentage allocation of the income between Blackstone Holdings and The Blackstone Group L.P. after considering any contractual arrangements that govern the allocation of income (loss) such as fees allocable to The Blackstone Group L.P.

For the years ended December 31, 2015, 2014 and 2013, the net income before taxes allocated to Blackstone Holdings was 47.0%, 47.9% and 49.3%, respectively. The decreases of 0.9% and 1.4% were primarily due to conversions of Blackstone Holdings Partnership Units to Blackstone common units and the vesting of common units.

The Other Income — Reversal of Tax Receivable Agreement Liability was entirely allocated to The Blackstone Group L.P.

Operating Metrics

The following graph summarizes the Fee-Earning Assets Under Management by Segment and Total Assets Under Management by Segment, followed by a rollforward of activity for the years ended December 31, 2015, 2014 and 2013. For a description of how Assets Under Management and Fee-Earning Assets Under Management are determined, please see “— Key Financial Measures and Indicators — Operating Metrics — Assets Under Management and Fee-Earning Assets Under Management.”



Note: Totals may not add due to rounding.

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	Year Ended December 31,									
	2015					2014				
	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total
	(Dollars in Thousands)									
Fee-Earning Assets Under Management										
Balance, Beginning of Period	\$43,890,167	\$52,563,068	\$ 61,417,558	\$58,821,006	\$216,691,799	\$42,600,515	\$50,792,803	\$ 52,865,837	\$51,722,584	\$197,981,739
Inflows, including Commitments (a)	13,882,257	27,698,203	9,667,274	17,310,414	68,558,148	6,757,450	11,536,435	12,021,209	19,845,686	50,160,780
Outflows, including Distributions (b)	(1,395,020)	(4,165,520)	(5,430,094)	(5,711,573)	(16,702,207)	(1,124,355)	(295,067)	(5,362,968)	(3,458,712)	(10,241,102)
Realizations (c)	(5,106,650)	(8,513,771)	(516,619)	(6,318,060)	(20,455,100)	(4,733,564)	(8,719,534)	(312,486)	(7,897,115)	(21,662,699)
Net Inflows	7,380,587	15,018,912	3,720,561	5,280,781	31,400,841	899,531	2,521,834	6,345,755	8,489,859	18,256,979
Market Appreciation (Depreciation) (d) (f)	180,442	(236,623)	527,320	(2,417,407)	(1,946,268)	390,121	(751,569)	2,205,966	(1,391,437)	453,081
Balance, End of Period (e)	<u>\$51,451,196</u>	<u>\$67,345,357</u>	<u>\$ 65,665,439</u>	<u>\$61,684,380</u>	<u>\$246,146,372</u>	<u>\$43,890,167</u>	<u>\$52,563,068</u>	<u>\$ 61,417,558</u>	<u>\$58,821,006</u>	<u>\$216,691,799</u>
Increase	\$ 7,561,029	\$14,782,289	\$ 4,247,881	\$ 2,863,374	\$ 29,454,573	\$ 1,289,652	\$ 1,770,265	\$ 8,551,721	\$ 7,098,422	\$ 18,710,060
Increase	17%	28%	7%	5%	14%	3%	3%	16%	14%	9%

	Year Ended December 31,				
	2013				
	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total
	(Dollars in Thousands)				
Fee-Earning Assets Under Management					
Balance, Beginning of Period	\$37,050,167	\$41,931,339	\$ 43,478,791	\$45,420,143	\$167,880,440
Inflows, including Commitments (a)	9,884,340	13,835,625	9,098,002	15,588,769	48,406,736
Outflows, including Distributions (b)	(392,882)	(1,329,763)	(3,626,636)	(1,793,738)	(7,143,019)
Realizations (c)	(4,025,167)	(3,649,494)	(348,126)	(9,475,232)	(17,498,019)
Net Inflows	5,466,291	8,856,368	5,123,240	4,319,799	23,765,698
Market Appreciation (d)(f)	84,057	5,096	4,263,806	1,982,642	6,335,601
Balance, End of Period (e)	<u>\$42,600,515</u>	<u>\$50,792,803</u>	<u>\$ 52,865,837</u>	<u>\$51,722,584</u>	<u>\$197,981,739</u>
Increase	\$ 5,550,348	\$ 8,861,464	\$ 9,387,046	\$ 6,302,441	\$ 30,101,299
Increase	15%	21%	22%	14%	18%

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	Year Ended December 31,									
	2015					2014				
	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total
(Dollars in Thousands)										
Total Assets Under Management										
Balance, Beginning of Period	\$ 73,073,252	\$ 80,863,187	\$ 63,585,670	\$ 72,858,960	\$ 290,381,069	\$ 65,675,031	\$ 79,410,788	\$ 55,657,463	\$ 65,014,348	\$ 265,757,630
Inflows, including Commitments (a)	30,034,911	29,473,697	11,040,950	23,035,118	93,584,676	13,677,363	11,080,384	11,428,764	21,072,695	57,259,206
Outflows, including Distributions (b)	(406,955)	(342,233)	(5,559,483)	(6,372,790)	(12,681,461)	(1,624,064)	(896,394)	(5,430,780)	(3,763,200)	(11,714,438)
Realizations (c)	(13,493,163)	(21,016,540)	(554,584)	(7,605,824)	(42,670,111)	(15,379,066)	(20,389,808)	(416,882)	(9,301,444)	(45,487,200)
Net Inflows (Outflows)	16,134,793	8,114,924	4,926,883	9,056,504	38,233,104	(3,325,767)	(10,205,818)	5,581,102	8,008,051	57,568
Market Appreciation (Depreciation) (d)(g)	5,072,029	4,939,713	592,872	(2,834,212)	7,770,402	10,723,988	11,658,217	2,347,105	(163,439)	24,565,871
Balance, End of Period (e)	\$ 94,280,074	\$ 93,917,824	\$ 69,105,425	\$ 79,081,252	\$ 336,384,575	\$ 73,073,252	\$ 80,863,187	\$ 63,585,670	\$ 72,858,960	\$ 290,381,069
Increase	\$ 21,206,822	\$ 13,054,637	\$ 5,519,755	\$ 6,222,292	\$ 46,003,506	\$ 7,398,221	\$ 1,452,399	\$ 7,928,207	\$ 7,844,612	\$ 24,623,439
Increase	29%	16%	9%	9%	16%	11%	2%	14%	12%	9%

	Year Ended December 31,				
	2013				
	Private Equity	Real Estate	Hedge Fund Solutions	Credit (h)	Total
(Dollars in Thousands)					
Total Assets Under Management					
Balance, Beginning of Period	\$51,002,973	\$56,695,645	\$ 46,092,505	\$ 56,428,837	\$210,219,960
Inflows, including Commitments (a)	14,420,278	17,686,592	9,337,644	19,040,769	60,485,283
Outflows, including Distributions (b)	(653,357)	(1,049,598)	(3,854,587)	(2,519,238)	(8,076,780)
Realizations (c)	(9,584,276)	(8,298,220)	(447,960)	(11,799,676)	(30,130,132)
Net Inflows	4,182,645	8,338,774	5,035,097	4,721,855	22,278,371
Market Appreciation (d)(g)	10,489,413	14,376,369	4,529,861	3,863,656	33,259,299
Balance, End of Period (e)	\$65,675,031	\$79,410,788	\$ 55,657,463	\$ 65,014,348	\$265,757,630
Increase	\$14,672,058	\$22,715,143	\$ 9,564,958	\$ 8,585,511	\$ 55,537,670
Increase	29%	40%	21%	15%	26%

- (a) Inflows represent contributions in our hedge funds and closed-end mutual funds, increases in available capital for our carry funds (capital raises, callable capital and increased side-by-side commitments) and CLOs and increases in the capital we manage pursuant to separately managed account programs.
- (b) Outflows represent redemptions in our hedge funds and closed-end mutual funds, client withdrawals from our separately managed account programs and decreases in available capital for our carry funds (expired capital, expense drawdowns and decreased side-by-side commitments).
- (c) Realizations represent realizations from the disposition of assets, capital returned to investors from CLOs and the effect of changes in the definition of Total Assets Under Management.
- (d) Market appreciation (depreciation) includes realized and unrealized gains (losses) on portfolio investments and the impact of foreign exchange rate fluctuations.

- (e) Fee-Earning Assets Under Management and Assets Under Management as of December 31, 2015 included \$94.6 million and \$115.8 million, respectively, from a joint venture in which we are the minority interest holder.
- (f) For the year ended December 31, 2015, the impact to Fee-Earning Assets Under Management due to foreign exchange rate fluctuations was \$(17.0) million, \$(642.4) million, \$(999.2) million and \$(1.7) billion for the Private Equity, Real Estate, Credit and Total segments, respectively. For the year ended December 31, 2014, such impact was \$(11.8) million, \$(957.4) million, \$(1.3) billion and \$(2.3) billion for the Private Equity, Real Estate, Credit and Total segments, respectively. For the year ended December 31, 2013, such impact was \$5.7 million, \$188.5 million, \$470.0 million and \$664.2 million for the Private Equity, Real Estate, Credit and Total segments, respectively.
- (g) For the year ended December 31, 2015, the impact to Total Assets Under Management due to foreign exchange rate fluctuations was \$(508.1) million, \$(1.9) billion, \$(1.1) billion and \$(3.5) billion for the Private Equity, Real Estate, Credit and Total segments, respectively. For the year ended December 31, 2014, such impact was \$(357.1) million, \$(2.0) billion, \$(1.5) billion and \$(3.8) billion for the Private Equity, Real Estate, Credit and Total segments, respectively. For the year ended December 31, 2013, such impact was \$(249.2) million, \$69.3 million, \$469.9 million and \$290.0 million for the Private Equity, Real Estate, Credit and Total segments, respectively.
- (h) On December 31, 2015, the Credit segment refined the classification of required dividend payments from its business development companies and certain long only investment vehicles for purposes of reporting the roll forward components of Fee-Earning and Total Assets Under Management. Historically, these amounts had been reported as Outflows and they are now reported as Realizations. Furthermore, dividends had previously been reported net of reinvestments but now the reinvestments are reported as Inflows. All historical periods have been recast to conform to the new definition.

Fee-Earning Assets Under Management

Fee-Earning Assets Under Management were \$246.1 billion at December 31, 2015, an increase of \$29.5 billion, or 14%, compared to \$216.7 billion at December 31, 2014. The net increase was due to:

- Inflows of \$68.6 billion related to:
 - \$27.7 billion in our Real Estate segment primarily related to \$15.6 billion raised for BREP VIII, \$7.2 billion raised/invested for BPP, \$1.5 billion invested for BREP VII post its investment period, \$1.1 billion invested for BREDS II and \$1.0 billion raised for BXMT,
 - \$17.3 billion in our Credit segment driven by \$4.8 billion raised in CLO launches, \$4.8 billion raised in our business development companies (“BDCs”), \$3.6 billion raised in our drawdown funds and \$2.0 billion raised in our Hedge Fund Strategies,
 - \$13.9 billion in our Private Equity segment primarily due to \$5.0 billion raised in our Tactical Opportunities platform, \$4.5 billion raised for Blackstone Energy Partners II, \$1.0 billion raised from Strategic Partners and \$850.3 million of inflows from BTAS, and
 - \$9.7 billion in our Hedge Fund Solutions segment mainly related to growth in its customized, commingled, and individual investor solutions products, and additional closings on the general partner interests vehicle.

Offsetting these increases were:

- Realizations of \$20.5 billion primarily driven by:
 - \$8.5 billion in our Real Estate segment primarily due to realizations of \$4.4 billion in BREP global and European opportunistic funds, \$2.6 billion in BREDS and \$769.2 million in BREP co-investment,
 - \$6.3 billion in our Credit segment primarily due to \$3.8 billion capital returned to CLO investors from CLOs that are post their re-investment periods, \$1.4 billion capital returned to investors in drawdown funds and \$776.3 million capital returned to investors in BDC funds, and

- \$5.1 billion in our Private Equity segment primarily due to continued disposition activity across the segment, mainly from BCP V and our Strategic Partners fund of funds.
- Outflows of \$16.7 billion primarily attributable to:
 - \$5.7 billion in our Credit segment, which includes \$3.6 billion of redemptions due to investors' general liquidity needs as well as their paring back in credit investments,
 - \$5.4 billion in our Hedge Fund Solutions segment primarily due to the liquidity needs of limited partners and certain strategic shifts in their programs,
 - \$4.2 billion in our Real Estate segment primarily due to \$4.0 billion of uninvested reserves at the close of BREP VII's investment period, and
 - \$1.4 billion in our Private Equity segment primarily from the end of the investment periods for BEP and Tactical Opportunities initial platform of separately managed accounts as well as our outflows in our Strategic Partners fund of funds.
- Market depreciation of \$1.9 billion principally due to solid returns from the BAAM Principal Solutions ("BPS") Composite funds in our Hedge Fund Solutions segment offset by \$2.4 billion in market depreciation in our Credit segment. The \$2.4 billion in market depreciation in our Credit segment, which includes \$999.2 million of foreign exchange depreciation, is primarily driven by \$1.3 billion in market depreciation from our U.S. and Europe CLOs, \$613.4 million in market depreciation from our hedge fund strategies and \$518.7 million in market depreciation from our BDCs.

BAAM had net inflows of \$1.3 billion from January 1 through February 1, 2016.

Fee-Earning Assets Under Management were \$216.7 billion at December 31, 2014, an increase of \$18.7 billion, or 9%, compared to \$198.0 billion at December 31, 2013. The net increase was due to:

- Inflows of \$50.2 billion related to:
 - \$19.8 billion in our Credit segment driven by \$5.5 billion raised in CLO launches, \$5.2 billion raised in our business development companies ("BDCs"), \$3.9 billion raised in hedge fund strategies and \$2.4 billion of capital deployed in our mezzanine and rescue lending funds,
 - \$12.0 billion in our Hedge Fund Solutions segment mainly related to growth in its customized and commingled products and co-investment platform, additional closings on the general partner interests vehicle and the launch of BAAM's second alternative investment-focused mutual fund and first liquid alternative UCITS structure fund,
 - \$11.5 billion in our Real Estate segment primarily related to \$3.1 billion capital raised and/or invested for BREDS, \$3.0 billion raised for BREP Europe IV, \$1.8 billion raised for BREP Asia, \$874.0 million raised for BPP and \$779.5 million raised for BXMT, and
 - \$6.8 billion in our Private Equity segment primarily due to fundraising related to Strategic Partners' sixth fund as well as additional capital raised for our Tactical Opportunities investment vehicles.
- Market appreciation of \$453.1 million principally due to solid returns from the BPS Composite funds in our Hedge Fund Solutions segment offset by \$1.4 billion in market depreciation for U.S. and European CLOs in the Credit segment principally due to foreign exchange depreciation and \$751.6 million in our Real Estate segment principally due to foreign exchange depreciation.

Offsetting these increases were:

- Realizations of \$21.7 billion primarily driven by:
 - \$8.7 billion in our Real Estate segment primarily due to realizations of \$2.7 billion from BREP VI, \$2.5 billion from BREDS, \$1.5 billion from BREP co-investment, \$1.0 billion from BREP V and \$565.3 million from BREP Europe III,

- \$7.9 billion in our Credit segment primarily due to \$5.2 billion returned to CLO investors from CLOs that are post their reinvestment periods and \$1.8 billion returned across the Mezzanine and Rescue Lending funds, and
- \$4.7 billion in our Private Equity segment primarily resulting from \$3.3 billion return of capital from our BCP V fund including public share sales of Hilton, Pinnacle, and Nielsen and strategic sales in Apria, United Biscuits and Mivisa, and \$1.0 billion of fee earning realizations in Strategic Partners.
- Outflows of \$10.2 billion primarily attributable to:
 - \$5.4 billion in our Hedge Fund Solutions segment primarily due to the liquidity needs of limited partners and certain strategic shifts in their programs, and
 - \$3.5 billion in our Credit segment primarily from our long-only platform, hedge fund strategies and business development companies.

Total Assets Under Management

Total Assets Under Management were \$336.4 billion at December 31, 2015, an increase of \$46.0 billion, or 16%, compared to \$290.4 billion at December 31, 2014. The net increase was due to:

- Inflows of \$93.6 billion primarily related to:
 - \$30.0 billion in our Private Equity segment primarily related to \$18.0 billion raised for the seventh private equity fund (the corresponding Fee-Earning Assets Under Management Inflow will occur when the investment period for this fund commences), \$7.0 billion raised for Tactical Opportunities, \$2.2 billion raised from Strategic Partners and \$714.2 million of inflows from BTAS,
 - \$29.5 billion in our Real Estate segment attributable to \$16.0 billion raised for BREP VIII, \$6.9 billion raised for BPP, \$1.3 billion raised during the initial closing for the third real estate debt strategies fund, \$1.0 billion raised for BXMT, and \$740.3 million raised for BREP co-investment,
 - \$23.0 billion in our Credit segment primarily due to \$5.0 billion raised from CLO launches, \$4.8 billion raised for BDCs, \$3.9 billion raised in our energy focused products, \$3.6 billion raised in European senior debt strategies, \$2.5 billion raised in our other long only funds and \$2.0 billion raised in hedge fund strategies, and
 - \$11.0 billion in our Hedge Fund Solutions segment due primarily to the reasons noted above in Fee-Earning Assets Under Management.
- Market appreciation of \$7.8 billion due to:
 - \$5.1 billion appreciation in our Private Equity segment driven by significant returns in funds across the segment,
 - \$4.9 billion net appreciation in our Real Estate segment driven by sustained strong operating fundamentals in the private portfolio resulting in appreciation of 16.6% offset by public portfolio depreciation of 8.6%, and by \$1.9 billion of foreign exchange depreciation, and
 - \$2.8 billion depreciation in our Credit segment due to reasons noted above in Fee-Earning Asset Under Management, including \$1.1 billion attributable to foreign currency depreciation.

Offsetting these increases were:

- Realizations of \$42.7 billion driven by:
 - \$21.0 billion in our Real Estate segment due to realizations across the segment with 78% of realizations generated from the BREP Global and European opportunistic platform, including co-investment,

- \$13.5 billion in our Private Equity segment primarily due to continued disposition activity across the segment, mainly from our BCP V fund and Strategic Partners fund of funds, and
- \$7.6 billion in our Credit segment due to capital returned to CLO investors from CLOs that are post their reinvestment periods and realizations in our carry funds.
- Outflows of \$12.7 billion primarily attributable to:
 - \$6.4 billion in our Credit segment primarily due to reasons noted above in Fee-Earning Assets Under Management, and
 - \$5.6 billion in our Hedge Fund Solutions segment due to reasons noted above in Fee-Earning Assets Under Management.

Total Assets Under Management were \$290.4 billion at December 31, 2014, an increase of \$24.6 billion, or 9%, compared to \$265.8 billion at December 31, 2013. The net increase was due to:

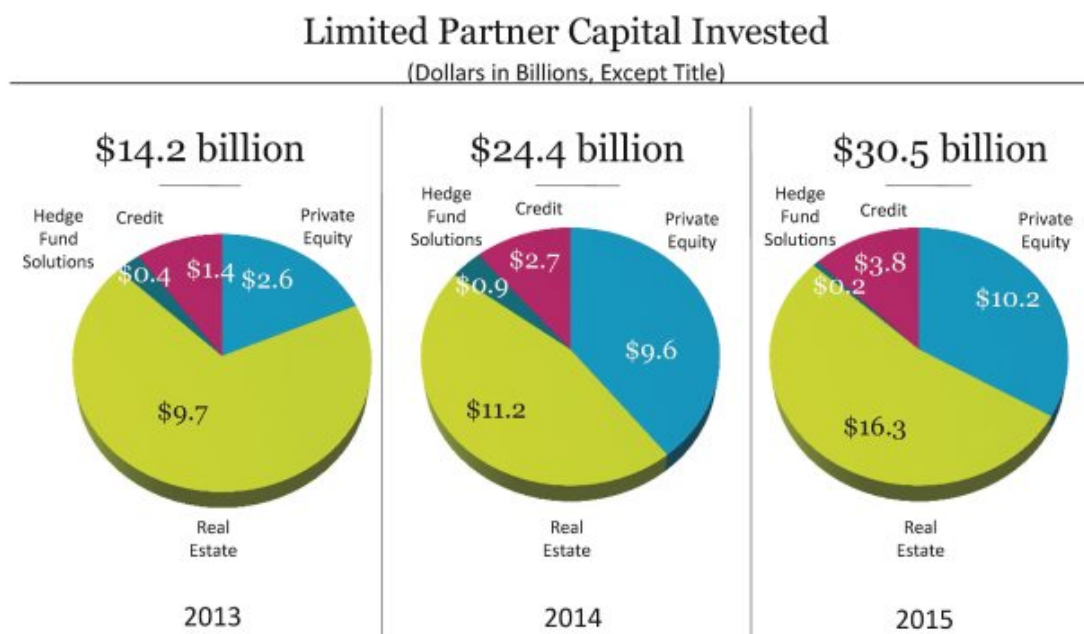
- Inflows of \$57.3 billion primarily related to:
 - \$21.1 billion in our Credit segment due to the reasons noted above in Fee-Earning Assets Under Management,
 - \$13.7 billion in our Private Equity segment due primarily to capital raised for Strategic Partners' sixth fund of funds, our second energy focused fund and additional capital raised for our Tactical Opportunities investment vehicles,
 - \$11.4 billion in our Hedge Fund Solutions segment due primarily to the reasons noted above in Fee-Earning Assets Under Management, and
 - \$11.1 billion in our Real Estate segment attributable to \$3.1 billion raised for BREP Europe IV, \$2.3 billion raised for BPP, \$1.8 billion raised for BREP Asia, \$1.2 billion raised for BREDS and \$779.5 million raised for BXMT.
- Market appreciation of \$24.6 billion due to:
 - \$11.7 billion in our Real Estate segment driven by sustained strong operating fundamentals in the private portfolio (23.2%, \$8.8 billion) and public portfolio appreciation (17.0%, \$3.7 billion),
 - \$10.7 billion in our Private Equity segment driven by significant returns in funds across the segment, primarily in BCP V and BCP VI, and
 - \$2.3 billion in our Hedge Fund Solutions segment driven by the BPS Composite up 7.0% gross (5.9% net).

Offsetting these increases were:

- Realizations of \$45.5 billion driven by:
 - \$20.4 billion in our Real Estate segment due to realizations of \$7.3 billion in BREP VI, \$3.6 billion in BREP co-investment, \$2.4 billion in BREP V, \$2.1 billion in BREP VII, \$2.0 billion in BREDS and \$1.4 billion in BREP Europe III,
 - \$15.4 billion in our Private Equity segment due to execution on monetization opportunities across our corporate private equity portfolio, and
 - \$9.3 billion in our Credit segment due to capital returned to CLO investors from CLOs that are post their reinvestment periods and realizations in our carry funds and BDCs.
- Outflows of \$11.7 billion primarily attributable to:
 - \$5.4 billion in our Hedge Fund Solutions segment primarily related to the liquidity needs of limited partners and certain strategic shifts in their programs.
 - \$3.8 billion in our Credit segment primarily due to reasons noted above in Fee-Earning Assets Under Management.

Limited Partner Capital Invested

The following presents the limited partner capital invested during the respective periods:

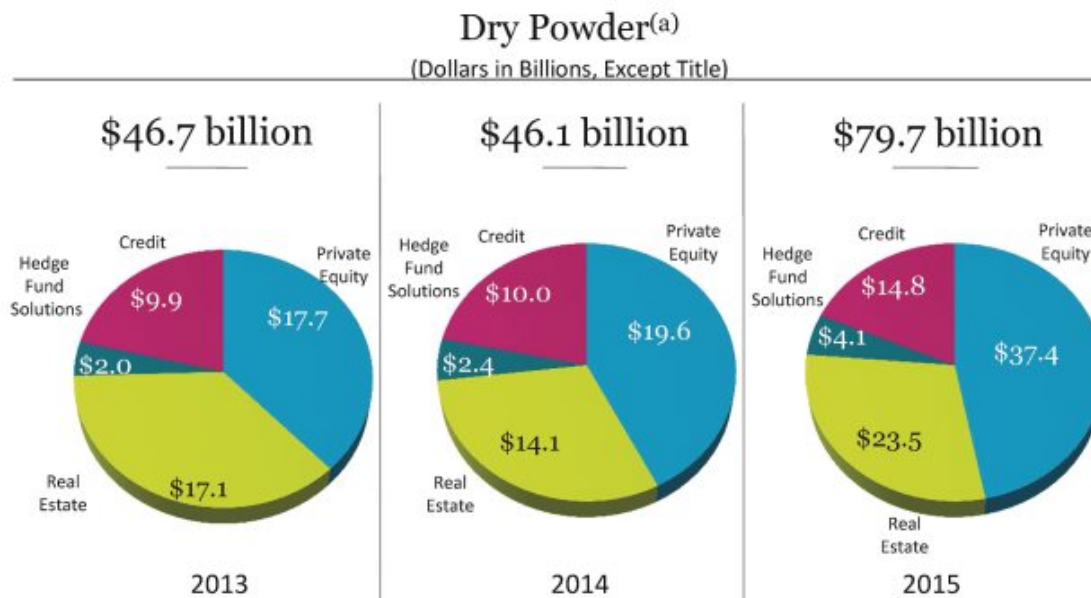


Note: Totals in graph may not add due to rounding.

	Year Ended December 31,			2014 vs. 2013		2015 vs. 2014	
	2013	2014	2015	\$	%	\$	%
Limited Partner Capital Invested							
Private Equity	\$ 2,568,582	\$ 9,623,273	\$10,219,178	\$ 7,054,691	275%	\$ 595,905	6%
Real Estate	9,741,277	11,235,142	16,259,362	1,493,865	15%	5,024,220	45%
Hedge Fund Solutions	431,275	854,128	243,241	422,853	98%	(610,887)	-72%
Credit	1,438,570	2,656,958	3,783,265	1,218,388	85%	1,126,307	42%
Total	<u>\$ 14,179,704</u>	<u>\$ 24,369,501</u>	<u>\$ 30,505,046</u>	<u>\$ 10,189,797</u>	<u>72%</u>	<u>\$ 6,135,545</u>	<u>25%</u>

Limited Partner Capital Invested was \$30.5 billion for the year ended December 31, 2015, an increase of \$6.1 billion, or 25%, from \$24.4 billion for the year ended December 31, 2014. The amount of Limited Partner Capital Invested is a function of finding opportunistic investments that fit our investment philosophy and strategy in each of our segments as well as the relative size and timing of investment closings within those segments. Our Private Equity segment deployed greater capital in 2015 than in 2014 as we found strong opportunities that fit within our investment philosophy for our corporate private equity funds as well as increased capital deployment opportunities within our Tactical Opportunities and Strategic Partners businesses. Our Real Estate segment deployed \$16.3 billion of capital in 2015, a 45% increase from 2014 primarily due to a significant increase in investment activity in BPP. Our Hedge Fund Solutions segment is investing capital based on the relative investment opportunities from the hedge fund manager seeding platform and general partner interests vehicle. In our Credit segment, capital deployed for the year ended December 31, 2015, was higher compared to the year ended December 31, 2014 primarily due to a greater number of investment opportunities in our carry funds that fit within our investment philosophy, notably within the energy sector and European direct lending space.

The following presents the committed undrawn capital available for investment (“dry powder”) as of December 31, 2015, 2014 and 2013:



Note: Totals may not add due to rounding. Amounts are as of December 31 of each year.

(a) Represents illiquid drawdown funds only; excludes marketable vehicles; includes both Fee-Earning (third party) capital and general partner and employee commitments that do not earn fees. Amounts are reduced by outstanding commitments to invest, but for which capital has not been called.

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Net Accrued Performance Fees

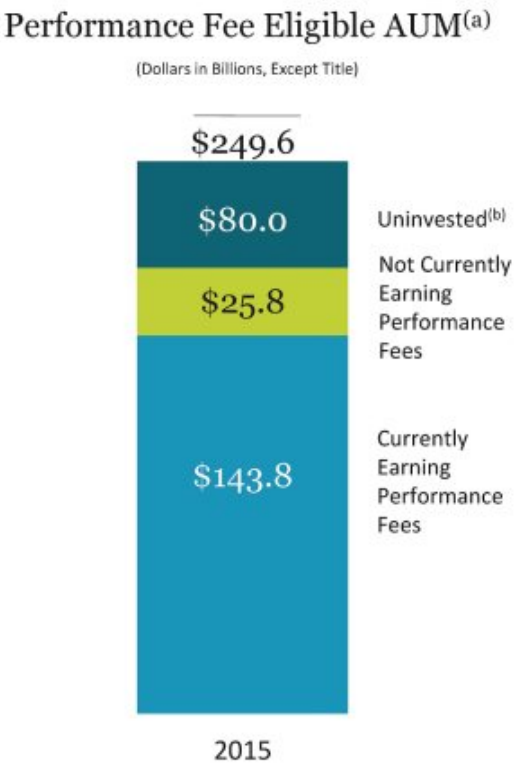
The following table presents the accrued performance fees, net of performance fee compensation, of the Blackstone Funds as of December 31, 2015 and 2014. Net accrued performance fees presented do not include clawback amounts, if any, which are disclosed in Note 18. “Commitments and Contingencies — Contingencies — Contingent Obligations (Clawback)” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing. The net accrued performance fee as of each reporting date is principally unrealized carried interest and incentive fees which, if realized, can be a significant component of Distributable Earnings.

	December 31,	
	2015	2014
	(Dollars in Millions)	
Private Equity		
BCP IV Carried Interest	\$ 144	\$ 282
BCP V Carried Interest	288	1,050
BCP VI Carried Interest	359	233
BEP Carried Interest	48	63
Tactical Opportunities Carried Interest	52	24
BTAS Carried Interest	3	—
Strategic Partners Carried Interest	36	4
Other Carried Interest	1	1
Total Private Equity (a)	931	1,657
Real Estate		
BREP IV Carried Interest	20	18
BREP V Carried Interest	497	602
BREP VI Carried Interest	628	1,113
BREP VII Carried Interest	608	605
BREP VIII Carried Interest	7	—
BREP Europe III Carried Interest	186	183
BREP Europe IV Carried Interest	121	37
BREP Asia Carried Interest	54	17
BPP Carried Interest	28	14
BREDS Carried Interest	12	14
BPP Incentive Fees	12	—
BREDS Incentive Fees	6	2
Asia Platform Incentive Fees	7	7
Total Real Estate (a)	2,186	2,612
Hedge Fund Solutions		
Incentive Fees	38	76
Total Hedge Fund Solutions	38	76
Credit		
Carried Interest	77	175
Incentive Fees	19	32
Total Credit	96	207
Total Blackstone		
Carried Interest	3,169	4,435
Incentive Fees	82	117
Net Accrued Performance Fees	\$3,251	\$4,552

(a) Private Equity and Real Estate include Co-Investments.

Performance Fee Eligible Assets Under Management

The following represents invested and to be invested capital, including closed commitments for funds whose investment period has not yet commenced, on which performance fees could be earned if certain hurdles are met:



- Note: Totals may not add due to rounding. Amounts are as of December 31.
- (a) Represents invested and to be invested capital at fair value, including closed commitments for funds whose investment period has not yet commenced, on which performance fees could be earned if certain hurdles are met.
 - (b) Represents dry powder exclusive of non-fee earning general partner and employee commitments.

Investment Record

Fund returns information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of The Blackstone Group L.P. and is also not necessarily indicative of the future performance of any particular fund. An investment in The Blackstone Group L.P. is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

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The following table presents the investment record of our significant drawdown funds from inception through December 31, 2015:

Fund (Investment Period)	Committed Capital	Available Capital (a)	Unrealized Investments			Realized Investments		Total Investments		Net IRR (c)	
			Value	MOIC (b)	% Public	Value	MOIC (b)	Value	MOIC (b)	Realized	Total
(Dollars in Thousands, Except Where Noted)											
Private Equity											
BCP I (Oct 1987 / Oct 1993)	\$ 859,081	\$ —	\$ —	N/A	—	\$ 1,741,738	2.6x	\$ 1,741,738	2.6x	19%	19%
BCP II (Oct 1993 / Aug 1997)	1,361,100	—	—	N/A	—	3,256,819	2.5x	3,256,819	2.5x	32%	32%
BCP III (Aug 1997 / Nov 2002)	3,967,422	—	—	N/A	—	9,184,688	2.3x	9,184,688	2.3x	14%	14%
BCOM (Jun 2000 / Jun 2006)	2,137,330	199,298	155,610	1.6x	71%	2,808,140	1.4x	2,963,750	1.4x	7%	6%
BCP IV (Nov 2002 / Dec 2005)	6,773,182	220,676	2,148,444	1.3x	30%	18,896,847	3.2x	21,045,291	2.8x	43%	36%
BCP V (Dec 2005 / Jan 2011)	21,025,483	1,261,713	11,213,593	1.5x	73%	25,866,084	2.0x	37,079,677	1.8x	11%	8%
BCP VI (Jan 2011 / Jan 2017)	15,186,676	3,437,279	14,556,872	1.3x	25%	2,010,281	1.9x	16,567,153	1.4x	51%	12%
BEP I (Aug 2011 / Feb 2015)	2,439,096	208,049	2,694,285	1.3x	21%	539,484	2.0x	3,233,769	1.4x	57%	16%
BEP II (Feb 2015 / Feb 2021)	4,951,351	4,940,725	10,627	1.0x	—	—	N/A	10,627	1.0x	N/A	N/M
BCP VII (TBD)	18,000,000	18,000,000	—	N/A	—	—	N/A	—	N/A	N/A	N/A
Total Corporate Private Equity	76,700,721	28,267,740	30,779,431	1.4x	43%	64,304,081	2.3x	95,083,512	1.9x	19%	16%
Tactical Opportunities	13,047,121	6,928,783	6,594,346	1.1x	5%	1,272,843	1.5x	7,867,189	1.2x	32%	12%
Strategic Partners I-V and Co-Investment	12,001,300	2,198,999	4,401,532	2.6x	—	12,857,614	1.3x	17,259,146	1.5x	N/A	14%
Strategic Partners VI	6,701,331	2,116,999	3,282,072	1.2x	—	334,323	0.2x	3,616,395	0.8x	N/A	63%
Other Funds and Co-Investment (d)	3,013,278	1,308,318	1,395,181	1.1x	35%	227,280	1.3x	1,622,461	1.1x	N/A	N/M
Total Private Equity	\$111,463,751	\$40,820,839	\$46,452,562	1.4x	30%	\$78,996,141	1.9x	\$125,448,703	1.7x	19%	15%
Real Estate											
Dollar											
Pre-BREP	\$ 140,714	\$ —	\$ —	N/A	—	\$ 345,190	2.5x	\$ 345,190	2.5x	33%	33%
BREP I (Sep 1994 / Oct 1996)	380,708	—	—	N/A	—	1,327,708	2.8x	1,327,708	2.8x	40%	40%
BREP II (Oct 1996 / Mar 1999)	1,198,339	—	—	N/A	—	2,531,613	2.1x	2,531,613	2.1x	19%	19%
BREP III (Apr 1999 / Apr 2003)	1,522,708	—	—	N/A	—	3,336,402	2.4x	3,336,402	2.4x	21%	21%
BREP IV (Apr 2003 / Dec 2005)	2,198,694	—	713,015	0.7x	14%	3,900,618	2.2x	4,613,633	1.7x	40%	13%
BREP V (Dec 2005 / Feb 2007)	5,539,418	—	4,440,351	2.3x	28%	8,393,813	2.2x	12,834,164	2.2x	13%	11%
BREP VI (Feb 2007 / Aug 2011)	11,059,523	584,008	7,592,592	2.1x	65%	17,662,251	2.4x	25,254,843	2.3x	15%	13%
BREP VII (Aug 2011 / Apr 2015)	13,490,570	2,565,752	16,088,059	1.6x	1%	8,031,818	1.9x	24,119,877	1.7x	33%	23%
BREP VIII (Apr 2015 / Oct 2020)	15,940,743	12,797,781	3,389,563	1.1x	—	—	N/A	3,389,563	1.1x	N/A	15%
Total Global BREP	\$ 51,471,417	\$15,947,541	\$32,223,580	1.6x	20%	\$45,529,413	2.2x	\$ 77,752,993	1.9x	22%	17%
Euro											
BREP Int'l (Jan 2001 / Sep 2005)	€ 824,172	€ —	€ —	N/A	—	€ 1,366,154	2.1x	€ 1,366,154	2.1x	23%	23%
BREP Int'l II (Sep 2005 / Jun 2008)	1,629,748	54,138	520,843	1.1x	63%	1,714,266	1.8x	2,235,109	1.6x	8%	5%
BREP Europe III (Jun 2008 / Sep 2013)	3,205,140	471,643	3,380,172	1.9x	4%	2,496,255	2.2x	5,876,427	2.0x	24%	19%
BREP Europe IV (Sep 2013 / Mar 2019)	6,695,866	2,185,988	6,246,497	1.3x	—	405,114	1.4x	6,651,611	1.3x	33%	19%
Total Euro BREP	€ 12,354,926	€ 2,711,769	€10,147,512	1.4x	4%	€ 5,981,789	2.0x	€ 16,129,301	1.6x	16%	14%
BREP Co-Investment (e)	\$ 6,109,088	\$ —	\$ 5,686,895	1.7x	66%	\$ 6,156,862	2.3x	\$ 11,843,757	1.9x	17%	16%
BREP Asia (Jun 2013 / Dec 2017)	5,078,300	2,781,959	2,939,592	1.3x	—	85,048	1.7x	3,024,640	1.3x	33%	13%
Total BREP	\$ 78,732,628	\$21,675,024	\$53,661,654	1.5x	20%	\$59,746,625	2.2x	\$113,408,279	1.8x	20%	16%
BPP (f)	\$ 10,323,584	\$ 2,237,310	\$ 9,029,698	1.1x	—	\$ —	N/A	\$ 9,029,698	1.1x	N/A	18%
BREDS (g)	\$ 7,024,734	\$ 2,549,256	\$ 2,398,503	1.2x	—	\$ 5,456,371	1.3x	\$ 7,854,874	1.3x	13%	12%
Hedge Fund Solutions											
BSCH (Dec 2013 / Jun 2020) (h)	\$ 3,300,600	\$ 3,015,378	\$ 287,802	1.1x	—	\$ 57,987	N/A	\$ 345,789	1.3x	N/A	6%
BSCH Co-Investment	75,500	75,500	—	N/A	—	—	N/A	—	N/A	N/A	N/A
Total Hedge Fund Solutions	\$ 3,376,100	\$ 3,090,878	\$ 287,802	1.1x	—	\$ 57,987	N/A	\$ 345,789	1.3x	N/A	6%

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Fund (Investment Period)	Committed Capital	Available Capital (a)	Unrealized Investments			Realized Investments		Total Investments		Net IRR (c)	
			Value	MOIC (b)	% Public	Value	MOIC (b)	Value	MOIC (b)	Realized	Total
			(Dollars in Thousands, Except Where Noted)								
Credit (i)											
Dollar											
Mezzanine I (Jul 2007 / Oct 2011)	\$ 2,000,000	\$ 99,280	\$ 457,313	1.7x	—	\$ 4,396,393	1.6x	\$ 4,853,706	1.6x	N/A	18%
Mezzanine II (Nov 2011 / Nov 2016)	4,120,000	2,001,026	2,806,501	1.1x	—	1,811,700	1.4x	4,618,201	1.2x	N/A	14%
Rescue Lending I (Sep 2009 / May 2013)	3,253,143	553,131	1,670,415	1.2x	—	4,092,198	1.5x	5,762,613	1.4x	N/A	12%
Rescue Lending II (Jun 2013 / Jun 2018)	5,125,000	2,973,619	2,286,253	1.0x	—	88,846	1.1x	2,375,099	1.0x	N/A	5%
Energy Select Opportunities (Nov 2015 / Nov 2018)	2,856,866	2,533,928	323,839	1.0x	—	—	N/A	323,839	1.0x	N/A	N/M
Total Dollar Credit	\$17,355,009	\$ 8,160,984	\$7,544,321	1.1x	—	\$10,389,137	1.5x	\$17,933,458	1.3x	N/A	14%
Euro											
European Senior Debt (Feb 2015 / Feb 2018)	€ 1,964,689	€ 3,411,806	€ 547,859	1.0x	—	€ 142,288	1.2x	€ 690,147	1.1x	N/A	N/M
Total Euro Credit	€ 1,964,689	€ 3,411,806	€ 547,859	1.0x	—	€ 142,288	1.2x	€ 690,147	1.1x	N/A	N/M
Total Credit	\$19,621,419	\$11,867,603	\$8,139,805	1.1x	—	\$10,546,606	1.5x	\$18,686,411	1.3x	N/A	14%

N/M Not meaningful.

N/A Not applicable.

- (a) Available Capital represents total investable capital commitments, including side-by-side, adjusted for certain expenses and expired or callable capital, less invested capital. This amount is not reduced by outstanding commitments to investments.
- (b) Multiple of Invested Capital (“MOIC”) represents carrying value, before management fees, expenses and Carried Interest, divided by invested capital.
- (c) Net Internal Rate of Return (“IRR”) represents the annualized inception to December 31, 2015 IRR on total invested capital based on realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.
- (d) Returns for Other Funds and Co-Investment are not meaningful as these funds have limited transaction activity
- (e) BREP Co-Investment represents co-investment capital raised for various BREP investments. The Net IRR reflected is calculated by aggregating each co-investment’s realized proceeds and unrealized value, as applicable, after management fees, expenses and Carried Interest.
- (f) BPP, or Blackstone Property Partners, are the core+ real estate funds which invest with a more moderate risk profile and lower leverage.
- (g) Excludes Capital Trust drawdown funds.
- (h) BSCH is a permanent capital vehicle focused on acquiring strategic minority positions in alternative asset managers.
- (i) The Total Investments MOIC for Mezzanine I, Mezzanine II, Rescue Lending I and Rescue Lending II Funds, excluding recycled capital during the investment period, was 2.0x, 1.4x, 1.6x and 1.1x, respectively. Funds presented represent flagship credit drawdown funds only. The Total Credit Net IRR is the combined IRR of the six credit drawdown funds presented.

Segment Analysis

Discussed below is our EI for each of our segments. This information is reflected in the manner utilized by our senior management to make operating decisions, assess performance and allocate resources. References to “our” sectors or investments may also refer to portfolio companies and investments of the underlying funds that we manage.

For segment reporting purposes, 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 consolidated GAAP basis because fund management fees recognized in certain segments are received from the Blackstone Funds and eliminated in consolidation when presented on a consolidated GAAP basis. Furthermore, segment expenses are lower than related amounts presented on a consolidated GAAP basis due to the exclusion of fund expenses that are paid by Limited Partners and the elimination of non-controlling interests.

Private Equity

The following table presents the results of operations for our Private Equity segment:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Segment Revenues							
Management Fees, Net							
Base Management Fees	\$ 502,640	\$ 415,841	\$ 368,146	\$ 86,799	21%	\$ 47,695	13%
Advisory Fees	10,561	21,903	24,313	(11,342)	-52%	(2,410)	-10%
Transaction and Other Fees, Net	36,258	135,718	97,678	(99,460)	-73%	38,040	39%
Management Fee Offsets	(36,760)	(19,146)	(5,683)	(17,614)	92%	(13,463)	237%
Total Management Fees, Net	512,699	554,316	484,454	(41,617)	-8%	69,862	14%
Performance Fees							
Realized							
Carried Interest	1,474,987	754,402	329,993	720,585	96%	424,409	129%
Unrealized							
Carried Interest	(717,955)	1,222,828	398,232	(1,940,783)	N/M	824,596	207%
Total Performance Fees	757,032	1,977,230	728,225	(1,220,198)	-62%	1,249,005	172%
Investment Income (Loss)							
Realized							
Carried Interest	189,649	202,719	88,026	(13,070)	-6%	114,693	130%
Unrealized							
Carried Interest	(116,338)	(23,914)	161,749	(92,424)	386%	(185,663)	N/M
Total Investment Income	73,311	178,805	249,775	(105,494)	-59%	(70,970)	-28%
Interest and Dividend Revenue	33,218	21,993	15,625	11,225	51%	6,368	41%
Other	5,854	6,569	4,259	(715)	-11%	2,310	54%
Total Revenues	1,382,114	2,738,913	1,482,338	(1,356,799)	-50%	1,256,575	85%
Expenses							
Compensation and Benefits							
Compensation	280,248	280,499	240,150	(251)	-0%	40,349	17%
Performance Fee Compensation							
Realized							
Carried Interest	256,922	266,393	38,953	(9,471)	-4%	227,440	584%
Unrealized							
Carried Interest	(10,172)	210,446	342,733	(220,618)	N/M	(132,287)	-39%
Total Compensation and Benefits	526,998	757,338	621,836	(230,340)	-30%	135,502	22%
Other Operating Expenses	199,158	143,562	124,499	55,596	39%	19,063	15%
Total Expenses	726,156	900,900	746,335	(174,744)	-19%	154,565	21%
Economic Income	\$ 655,958	\$1,838,013	\$ 736,003	\$ (1,182,055)	-64%	\$1,102,010	150%

N/M Not meaningful.

Note As a result of the spin-off on October 1, 2015 of Blackstone's Financial Advisory business, which did not include BXCM, the results of BXCM were reclassified from the Financial Advisory segment to the Private Equity segment. All prior periods have been recast to reflect this reclassification.

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

Revenues were \$1.4 billion for the year ended December 31, 2015, a decrease of \$1.4 billion compared to \$2.7 billion for the year ended December 31, 2014. The decrease in revenues was attributable to decreases in Performance Fees, Investment Income, and Total Management Fees, Net of \$1.2 billion, \$105.5 million and \$41.6 million, respectively.

The decline in 2015 revenues in our Private Equity segment was significantly driven by a decline in unrealized Performance Fees. The reduction in Unrealized Performance Fees was primarily due to negative swings in the marks of our publicly-traded Private Equity portfolio companies as a result of macroeconomic concerns and declining public equity markets. If macroeconomic conditions were to deteriorate in the future with a resulting decline in our Private Equity fund investments, revenues in our Private Equity segment would likely continue to be negatively impacted. While unrealized markdowns in energy had a more limited impact on declining revenues in 2015, a sustained period of depressed oil and gas prices would likely adversely affect our Private Equity revenues.

Performance Fees, which are determined on a fund by fund basis, were \$757.0 million for the year ended December 31, 2015, a decrease of \$1.2 billion, compared to \$2.0 billion for the year ended December 31, 2014, principally due to the performance in our corporate private equity funds, which generated overall solid net performance which was, however, lower than the net returns in 2014. The returns in these funds were driven by strong operating performance across most of our private and public portfolios.

Investment Income was \$73.3 million for the year ended December 31, 2015, a decrease of \$105.5 million, compared to \$178.8 million for the year ended December 31, 2014, primarily due to our BCP V and BCP VI funds which generated strong net returns of 8.1% and 7.9%, respectively, for the year, but were slightly lower than the returns generated in the full year 2014 mainly as a result of the lower returns in our public portfolio.

Total Management Fees were \$512.7 million for the year ended December 31, 2015, a decrease of \$41.6 million compared to \$554.3 million for the year ended December 31, 2014, driven primarily by decreases in Transaction and Other Fees, Net and Management Fee Offsets, partially offset by an increase in Base Management Fees. Transaction and Other Fees were \$36.3 million for the year ended December 31, 2015, a decrease of \$99.5 million compared to \$135.7 million for the year ended December 31, 2014, primarily due to the timing of investment closings and the elimination of monitoring fee termination payments. Management Fee Offsets were \$(36.8) million for the year ended December 31, 2015, a decrease of \$17.6 million compared to \$(19.1) million for the year ended December 31, 2014, primarily due to the increased offset rates in recent funds. Base Management Fees were \$502.6 million for the year ended December 31, 2015, an increase of \$86.8 million compared to \$415.8 million for the year ended December 31, 2014, primarily due to the increase in the funds raised for our Tactical Opportunities investment vehicles and Strategic Partners secondary private fund of funds business.

Expenses

Expenses were \$726.2 million for the year ended December 31, 2015, a decrease of \$174.7 million, compared to \$900.9 million for the year ended December 31, 2014. The decrease was primarily attributable to a decrease of \$230.1 million in Performance Fee Compensation, slightly offset by a \$55.6 million increase in Other Operating Expenses. Performance Fee Compensation decreased as a result of the decrease in Performance Fees Revenue. The increase in Other Operating Expenses was primarily due to non-recurring costs related to the SEC settlement, an increase in interest allocated to the segment and certain one-time costs associated with fundraising.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

Revenues were \$2.7 billion for the year ended December 31, 2014, an increase of \$1.3 billion compared to \$1.5 billion for the year ended December 31, 2013. The increase in revenues was attributable to increases in Performance Fees and Total Management Fees, Net of \$1.2 billion and \$69.9 million, respectively, partially offset by a decrease in Investment Income of \$71.0 million.

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Performance Fees, which are determined on a fund by fund basis, were \$2.0 billion for the year ended December 31, 2014, an increase of \$1.2 billion, compared to \$728.2 million for the year ended December 31, 2013, principally due to the performance in our BCP V and BCP VI funds, which generated net returns of 24% and 18%, respectively with BCP V crossing its preferred return threshold during the period. The returns in these funds were driven by both the private and public portfolios, from strong operating performance across the portfolio as well as the initial public offerings for Michaels Stores, Catalent and Vivint's solar business.

Total Management Fees were \$554.3 million for the year ended December 31, 2014, an increase of \$69.9 million compared to \$484.5 million for the year ended December 31, 2013, driven primarily by increases in Base Management Fees and Transaction and Other Fees, Net. Base Management Fees were \$415.8 million for the year ended December 31, 2014, an increase of \$47.7 million compared to \$368.1 million for the year ended December 31, 2013, primarily due to the increase in the funds raised for our Tactical Opportunities investment vehicles and Strategic Partners secondary private fund of funds business as well as the inclusion of the Strategic Partners management fees for the full year. Transaction and Other Fees were \$135.7 million for the year ended December 31, 2014, an increase of \$38.0 million compared to \$97.7 million for the year ended December 31, 2013, primarily due to fees earned related to transaction closings.

Investment Income was \$178.8 million for the year ended December 31, 2014, a decrease of \$71.0 million, compared to \$249.8 million for the year ended December 31, 2013, primarily due to our BCP V and BEP funds which generated strong net returns of 24% and 12%, respectively, for the year, but were slightly lower than the returns generated in the full year 2013.

Expenses

Expenses were \$900.9 million for the year ended December 31, 2014, an increase of \$154.6 million, compared to \$746.3 million for the year ended December 31, 2013. The increase was primarily attributable to increases of \$95.2 million in Performance Fee Compensation, \$40.3 million in Compensation, and \$19.1 million in Other Operating Expenses. Performance Fee Compensation increased as a result of the increase in Performance Fees Revenue. Compensation increased primarily due to an increase in revenue on which a portion of compensation is based, as well as an increase in headcount to support the growth of the business. The increase in Other Operating Expenses was primarily due to an increase in interest allocated to the segment.

Fund Returns

Fund returns information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of The Blackstone Group L.P. and is also not necessarily indicative of the future performance of any particular fund. An investment in The Blackstone Group L.P. is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

The following table presents the internal rates of return of our significant private equity funds:

Fund (b)	Year Ended December 31,						December 31, 2015 Inception to Date			
	2015		2014 (a)		2013 (a)		Realized		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
BCP IV	-6%	-6%	-4%	-2%	27%	23%	57%	43%	50%	36%
BCP V	11%	8%	35%	24%	38%	35%	13%	11%	10%	8%
BCOM	50%	49%	12%	20%	8%	-2%	14%	7%	13%	6%
BCP VI	11%	8%	24%	18%	24%	13%	65%	51%	19%	12%
BEP I	-5%	-4%	15%	12%	47%	36%	61%	57%	21%	16%
BEP II (c)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
Tactical Opportunities	12%	8%	22%	17%	20%	13%	39%	32%	16%	12%
Strategic Partners	22%	19%	24%	20%	8%	6%	N/A	N/A	18%	15%

The returns presented herein represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

N/M Not meaningful.

N/A Not applicable.

- (a) Changes in previous period returns are due to the repayment of fund level financing with capital drawn down from the respective fund's general and limited partners.
- (b) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and Carried Interest allocations.
- (c) BEP II's investment returns are presented as N/M as its investment period commenced in February 2015.

The corporate private equity funds within the Private Equity segment have four contributed funds with closed investment periods: BCP IV, BCP V, BCOM and BEP I. As of December 31, 2015, BCP IV was above its Carried Interest threshold (i.e., the preferred return payable to its limited partners before the general partner is eligible to receive Carried Interest) and would still be above its Carried Interest threshold even if all remaining investments were valued at zero. BCP V is comprised of two fund classes based on the timings of fund closings, the BCP V "main fund" and BCP V-AC fund. Within these fund classes, the general partner ("GP") is subject to equalization such that (a) the GP accrues Carried Interest when the total Carried Interest for the combined fund classes is positive and (b) the GP realizes Carried Interest so long as clawback obligations, if any, for the combined fund classes are fully satisfied. During the quarter, both fund classes were above their respective Carried Interest thresholds. BCOM is currently above its Carried Interest threshold and has generated inception to date positive returns. We are entitled to retain previously realized Carried Interest up to 20% of BCOM's net gains. As a result, Performance Fees are recognized from BCOM on current period gains and losses. BEP I is currently above its Carried Interest threshold.

Real Estate

The following table presents the results of operations for our Real Estate segment:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Segment Revenues							
Management Fees, Net							
Base Management Fees	\$ 668,575	\$ 628,502	\$ 565,182	\$ 40,073	6%	\$ 63,320	11%
Transaction and Other Fees, Net	110,577	91,610	79,675	18,967	21%	11,935	15%
Management Fee Offsets	(26,840)	(34,443)	(22,821)	7,603	-22%	(11,622)	51%
Total Management Fees, Net	752,312	685,669	622,036	66,643	10%	63,633	10%
Performance Fees							
Realized							
Carried Interest	1,634,733	1,487,762	486,773	146,971	10%	1,000,989	206%
Incentive Fees	17,153	11,499	45,862	5,654	49%	(34,363)	-75%
Unrealized							
Carried Interest	(680,542)	524,046	1,651,700	(1,204,588)	N/M	(1,127,654)	-68%
Incentive Fees	20,802	(5,521)	(28,753)	26,323	N/M	23,232	-81%
Total Performance Fees	992,146	2,017,786	2,155,582	(1,025,640)	-51%	(137,796)	-6%
Investment Income (Loss)							
Realized	235,582	309,095	52,359	(73,513)	-24%	256,736	490%
Unrealized	(231,889)	(58,930)	350,201	(172,959)	293%	(409,131)	N/M
Total Investment Income	3,693	250,165	402,560	(246,472)	-99%	(152,395)	-38%
Interest and Dividend Revenue	43,990	30,197	21,563	13,793	46%	8,634	40%
Other	(1,422)	2,863	3,384	(4,285)	N/M	(521)	-15%
Total Revenues	1,790,719	2,986,680	3,205,125	(1,195,961)	-40%	(218,445)	-7%
Expenses							
Compensation and Benefits							
Compensation	358,381	326,317	294,222	32,064	10%	32,095	11%
Performance Fee Compensation							
Realized							
Carried Interest	484,037	432,996	148,837	51,041	12%	284,159	191%
Incentive Fees	8,678	5,980	23,878	2,698	45%	(17,898)	-75%
Unrealized							
Carried Interest	(196,347)	197,174	566,837	(393,521)	N/M	(369,663)	-65%
Incentive Fees	8,817	(2,751)	(15,015)	11,568	N/M	12,264	-82%
Total Compensation and Benefits	663,566	959,716	1,018,759	(296,150)	-31%	(59,043)	-6%
Other Operating Expenses	179,175	146,083	116,391	33,092	23%	29,692	26%
Total Expenses	842,741	1,105,799	1,135,150	(263,058)	-24%	(29,351)	-3%
Economic Income	\$ 947,978	\$ 1,880,881	\$ 2,069,975	\$ (932,903)	-50%	\$ (189,094)	-9%

N/M Not meaningful.

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

Revenues were \$1.8 billion for the year ended December 31, 2015, a decrease of \$1.2 billion compared to \$3.0 billion for the year ended December 31, 2014. The decrease in revenues was primarily attributable to decreases in Performance Fees and Investment Income of \$1.0 billion and \$246.5 million, respectively, partially offset by an increase in Total Management Fees, Net of \$66.6 million.

The decline in 2015 revenues in our Real Estate segment was significantly driven by a decline in unrealized Performance Fees. The reduction in Unrealized Performance Fees was primarily due to negative swings in the marks of our publicly-traded Real Estate equity investments, particularly in lodging, as a result of a decline in public equity markets in 2015. If macroeconomic conditions were to deteriorate in the future with a resulting decline in our Real Estate fund investments, revenues in our Real Estate segment would likely continue to be negatively impacted.

Performance Fees, which are determined on a fund by fund basis, were \$992.1 million for the year ended December 31, 2015, a decrease of \$1.0 billion compared to \$2.0 billion for the year ended December 31, 2014. Performance Fees decreased by \$1.0 billion due to a year over year decrease in the net appreciation of investments in our BREP carry funds from 20.9% to 9.7%. For the year ended December 31, 2015, the increase in carrying value of assets for Blackstone's contributed Real Estate opportunistic funds was driven by sustained strong operating fundamentals in the private portfolio resulting in appreciation of 16.6% offset by public portfolio depreciation of 8.6%. Our BREDS drawdown and real estate hedge funds appreciated 13.0% and 2.9%, respectively.

Investment Income was \$3.7 million for the year ended December 31, 2015, a decrease of \$246.5 million compared to \$250.2 million for the year ended December 31, 2014. The decrease in Investment Income was due to a year over year net depreciation of investments in our BREP VI fund. Blackstone has a larger investment in BREP VI than in other BREP funds.

Total Management Fees, Net were \$752.3 million for the year ended December 31, 2015, an increase of \$66.6 million compared to \$685.7 million for the year ended December 31, 2014, primarily attributable to increases in Base Management Fees. Base Management Fees were \$668.6 million for the year ended December 31, 2015, an increase of \$40.1 million compared to \$628.5 million for the year ended December 31, 2014. The increase was principally due to fees generated from fundraising within BREP VIII, BPP and invested capital within BREDS, partially offset by realizations across the portfolio.

Expenses

Expenses were \$842.7 million for the year ended December 31, 2015, a decrease of \$263.1 million, compared to \$1.1 billion for the year ended December 31, 2014. The decrease was primarily attributable to a decrease of Performance Fee Compensation of \$328.2 million, partially offset by increases in Compensation and Other Operating Expenses of \$32.1 million and \$33.1 million, respectively. The decrease in Performance Fee Compensation is the result of a decrease in Performance Fees Revenue. The increase in Compensation is due to an overall increase in Management Fees, on which a portion of compensation is based, as well as an increase in headcount to support the growth of the business. The increase in Other Operating Expenses was primarily due to an increase in interest expense allocated to the segment and certain one-time costs associated with fundraising.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

Revenues were \$3.0 billion for the year ended December 31, 2014, a decrease of \$218.4 million compared to \$3.2 billion for the year ended December 31, 2013. The decrease in revenues was primarily attributable to decreases in Investment Income and Performance Fees of \$152.4 million and \$137.8 million, respectively, partially offset by an increase in Total Management Fees, Net of \$63.6 million.

Investment Income was \$250.2 million for the year ended December 31, 2014, a decrease of \$152.4 million compared to \$402.6 million for the year ended December 31, 2013. The decrease in Investment Income was due to a year over year decrease in the net appreciation of investments in our BREP VI fund. Blackstone has a larger investment in BREP VI than in other BREP funds.

Performance Fees, which are determined on a fund by fund basis, were \$2.0 billion for the year ended December 31, 2014, a decrease of \$137.8 million compared to \$2.2 billion for the year ended December 31, 2013. Performance Fees decreased by \$137.8 million due to a year over year decrease in the net appreciation of investments in our BREP carry funds from 31.3% to 20.9%. For the year ended December 31, 2014, the increase in carrying value of assets for Blackstone's contributed Real Estate funds, including fee-paying co-investments was driven by sustained strong operating fundamentals in the private portfolio and public portfolio appreciation. Our BREDS drawdown and real estate hedge funds appreciated 7.2% and 5.3%, respectively.

Total Management Fees, Net were \$685.7 million for the year ended December 31, 2014, an increase of \$63.6 million compared to \$622.0 million for the year ended December 31, 2013, primarily attributable to increases in Base Management Fees. Base Management Fees were \$628.5 million for the year ended December 31, 2014, an increase of \$63.3 million compared to \$565.2 million for the year ended December 31, 2013. The increase was principally due to fees generated from fundraising within BREP Europe IV, BREP Asia, BPP and invested capital within BREDS, partially offset by the expiration of BREP V and realizations across the portfolio.

Expenses

Expenses were \$1.1 billion for the year ended December 31, 2014, a decrease of \$29.4 million, compared to \$1.1 billion for the year ended December 31, 2013. The decrease was primarily attributable to a decrease of Performance Fee Compensation of \$91.1 million, partially offset by increases in Compensation and Other Operating Expenses of \$32.1 million and \$29.7 million, respectively. The decrease in Performance Fee Compensation is the result of a decrease in Performance Fees Revenue. The increase in Compensation is due to an overall increase in Management Fees, on which a portion of compensation is based, as well as an increase in headcount to support the growth of the business. The increase in Other Operating Expenses was primarily due to an increase in interest expense allocated to the segment as well as increases in business development and professional fees.

Fund Returns

Fund return information for our significant funds is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of The Blackstone Group L.P. and is also not necessarily indicative of the future performance of any particular fund. An investment in The Blackstone Group L.P. is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

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The following table presents the internal rates of return of our significant real estate funds:

Fund (a)	Year Ended December 31,						December 31, 2015 Inception to Date			
	2015		2014		2013		Realized		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
BREP IV	-2%	-2%	12%	9%	28%	21%	65%	40%	23%	13%
BREP V	16%	14%	25%	21%	19%	15%	17%	13%	15%	11%
BREP International II (b)	20%	17%	27%	25%	32%	30%	10%	8%	7%	5%
BREP VI	-2%	-2%	20%	17%	43%	35%	20%	15%	17%	13%
BREP Europe III (b)	21%	17%	32%	25%	23%	17%	36%	24%	29%	19%
BREP VII	19%	14%	33%	25%	41%	29%	46%	33%	32%	23%
BREP VIII	N/M	N/M	N/A	N/A	N/A	N/A	N/A	N/A	53%	15%
BREP Asia	22%	13%	19%	10%	N/M	N/M	50%	33%	23%	13%
BREP Europe IV (b)	27%	19%	32%	20%	N/M	N/M	54%	33%	29%	19%
BREDS	14%	9%	15%	10%	15%	11%	17%	13%	16%	12%
BSSF I	4%	2%	14%	10%	14%	10%	N/A	N/A	15%	11%
CMBS	2%	1%	9%	6%	11%	7%	N/A	N/A	15%	10%
BREIF	7%	4%	4%	2%	N/A	N/A	N/A	N/A	7%	4%
BPP	17%	15%	28%	24%	N/A	N/A	N/A	N/A	20%	18%
BREP Co-Investment (c)	—	—	24%	22%	43%	39%	19%	17%	18%	16%

The returns presented herein represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

N/M Not meaningful.

N/A Not applicable.

- (a) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and performance fee allocations.
- (b) Euro-based net internal rates of return.
- (c) Excludes fully realized co-investments prior to Blackstone's initial public offering.

The following table presents the Carried Interest status of our real estate carry funds with expired investment periods which are currently not generating performance fees as of December 31, 2015:

Fully Invested Funds	Gain to Cross Carried Interest Threshold (a)		
	Amount	% Change in Total Enterprise Value (b)	% Change in Equity Value
		(Amounts in Millions)	
BREP Int'l II (Sep 2005 / Jun 2008)	€ 779	46%	161%

- (a) The general partner of each fund is allocated Carried Interest when the annualized returns, net of management fees and expenses, exceed the preferred return as dictated by the fund agreements. The preferred return is calculated for each limited partner individually. The Gain to Cross Carried Interest Threshold represents the increase in equity at the fund level (excluding our side-by-side investments) that is required for the general partner to begin accruing Carried Interest, assuming the gain is earned pro rata across the fund's investments and is achieved at the reporting date.
- (b) Total Enterprise Value is the respective fund's pro rata ownership of the privately held portfolio companies' Enterprise Value.

The Real Estate segment has seven funds in their investment period, which were above their respective Carried Interest thresholds as of December 31, 2015: BREP VIII, BREP Asia, BREP Europe IV and four funds within BREDS II.

Hedge Fund Solutions

The following table presents the results of operations for our Hedge Fund Solutions segment:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Segment Revenues							
Management Fees, Net							
Base Management Fees	\$ 524,386	\$ 482,981	\$ 409,321	\$ 41,405	9%	\$ 73,660	18%
Transaction and Other Fees, Net	317	569	623	(252)	-44%	(54)	-9%
Management Fee Offsets	171	(5,014)	(3,387)	5,185	N/M	(1,627)	48%
Total Management Fees, Net	<u>524,874</u>	<u>478,536</u>	<u>406,557</u>	<u>46,338</u>	<u>10%</u>	<u>71,979</u>	<u>18%</u>
Performance Fees							
Realized							
Incentive Fees	68,197	140,529	207,735	(72,332)	-51%	(67,206)	-32%
Unrealized							
Carried Interest	2,021	—	—	2,021	N/M	—	N/M
Incentive Fees	(8,084)	(879)	7,718	(7,205)	820%	(8,597)	N/M
Total Performance Fees	<u>62,134</u>	<u>139,650</u>	<u>215,453</u>	<u>(77,516)</u>	<u>-56%</u>	<u>(75,803)</u>	<u>-35%</u>
Investment Income (Loss)							
Realized	(12,741)	21,550	27,613	(34,291)	N/M	(6,063)	-22%
Unrealized	(1,435)	5,132	(9,306)	(6,567)	N/M	14,438	N/M
Total Investment Income (Loss)	<u>(14,176)</u>	<u>26,682</u>	<u>18,307</u>	<u>(40,858)</u>	<u>N/M</u>	<u>8,375</u>	<u>46%</u>
Interest and Dividend Revenue	17,274	11,114	7,605	6,160	55%	3,509	46%
Other	200	1,855	688	(1,655)	-89%	1,167	170%
Total Revenues	<u>590,306</u>	<u>657,837</u>	<u>648,610</u>	<u>(67,531)</u>	<u>-10%</u>	<u>9,227</u>	<u>1%</u>
Expenses							
Compensation and Benefits							
Compensation	179,484	131,658	136,470	47,826	36%	(4,812)	-4%
Performance Fee Compensation							
Realized							
Incentive Fees	27,155	42,451	65,793	(15,296)	-36%	(23,342)	-35%
Unrealized							
Carried Interest	823	—	—	823	N/M	—	N/M
Incentive Fees	(2,912)	(273)	2,856	(2,639)	967%	(3,129)	N/M
Total Compensation and Benefits	<u>204,550</u>	<u>173,836</u>	<u>205,119</u>	<u>30,714</u>	<u>18%</u>	<u>(31,283)</u>	<u>-15%</u>
Other Operating Expenses	<u>90,072</u>	<u>86,129</u>	<u>66,966</u>	<u>3,943</u>	<u>5%</u>	<u>19,163</u>	<u>29%</u>
Total Expenses	<u>294,622</u>	<u>259,965</u>	<u>272,085</u>	<u>34,657</u>	<u>13%</u>	<u>(12,120)</u>	<u>-4%</u>
Economic Income	<u>\$ 295,684</u>	<u>\$ 397,872</u>	<u>\$ 376,525</u>	<u>\$ (102,188)</u>	<u>-26%</u>	<u>\$ 21,347</u>	<u>6%</u>

N/M Not meaningful.

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

Revenues were \$590.3 million for the year ended December 31, 2015, a decrease of \$67.5 million compared to \$657.8 million for the year ended December 31, 2014. The decrease in revenues was primarily attributable to

decreases in Performance Fees and Investment Income of \$77.5 million and \$40.9 million, respectively, partially offset by an increase in Total Management Fees, Net of \$46.3 million.

In 2015, Hedge Fund Solutions operated in an environment generally characterized by declines in equity and fixed income asset prices. In that connection, global markets experienced significant volatility during 2015, with the CBOE volatility index reaching its highest levels since 2011. Notwithstanding these market conditions, the BPS Composite gross return was positive 2.9% during 2015, outperforming the S&P 500 and the HFRX Hedge Fund Index. In the future, however, if global asset prices continue to decline or liquidity needs cause investors to withdraw assets, Hedge Fund Solutions revenues would likely continue to be negatively impacted. Nonetheless, Hedge Fund Solutions operates multiple business lines, manages strategies that are both long and short asset classes and generates a majority of its revenue through management fees, all of which provide a level of downside protection to Hedge Fund Solutions revenues.

Performance Fees were \$62.1 million for the year ended December 31, 2015, a decrease of \$77.5 million compared to \$139.7 million for the year ended December 31, 2014. This was primarily due to lower returns. The net returns of the underlying assets within the BPS Composite funds were 2.1% during the year ended December 31, 2015.

Investment Loss was \$14.2 million for the year ended December 31, 2015, a decrease of \$40.9 million compared to Investment Income of \$26.7 million for the year ended December 31, 2014. The decrease in Investment Income was primarily driven by the year over year net appreciation of investments of which Blackstone owns a share.

Total Management Fees, Net were \$524.9 million for the year ended December 31, 2015, an increase of \$46.3 million compared to \$478.5 million for the year ended December 31, 2014, primarily due to an increase in Base Management Fees. Base Management Fees were \$524.4 million for the year ended December 31, 2015, an increase of \$41.4 million compared to \$483.0 million for the year ended December 31, 2014. This was driven by an increase in Fee-Earning Assets Under Management of 7% from the prior year, which was from net inflows and market appreciation.

Expenses

Expenses were \$294.6 million for the year ended December 31, 2015, an increase of \$34.7 million compared to the year ended December 31, 2014. The increase was primarily attributable to a \$47.8 million increase in Compensation, and a \$3.9 million increase in Other Operating Expenses, partially offset by a \$17.1 million decrease in Performance Fee Compensation. Compensation was \$179.5 million for the year ended December 31, 2015, an increase of \$47.8 million compared to \$131.7 million for the prior year, due to an overall increase in Management Fees, on which a portion of compensation is based, an increase in headcount to support the growth of the business and a change in the terms of Deferred Compensation Plan awards. Other Operating Expenses were \$90.1 million for the year ended December 31, 2015, an increase of \$3.9 million compared to \$86.1 million for the year ended December 31, 2014. The increase in Other Operating Expenses was primarily due to interest allocated to the segment. Performance Fee Compensation was \$25.1 million for the year ended December 31, 2015, a decrease of \$17.1 million compared to \$42.2 million for the year ended December 31, 2014 due to the decrease in Performance Fees Revenue.

Year Ended December 31, 2014 Compared to Year Ended December 31, 2013

Revenues

Revenues were \$657.8 million for the year ended December 31, 2014, an increase of \$9.2 million compared to \$648.6 million for the year ended December 31, 2013. The increase in revenues was primarily attributable to increases in Total Management Fees, Net and Investment Income of \$72.0 million and \$8.4 million, respectively, partially offset by a decrease in Performance Fees of \$75.8 million.

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Total Management Fees, Net were \$478.5 million for the year ended December 31, 2014, an increase of \$72.0 million compared to \$406.6 million for the year ended December 31, 2013, primarily due to an increase in Base Management Fees. Base Management Fees were \$483.0 million for the year ended December 31, 2014, an increase of \$73.7 million compared to \$409.3 million for the year ended December 31, 2013. This was driven by an increase in Fee-Earning Assets Under Management of 16% from the prior year, which was from net inflows and market appreciation.

Investment Income was \$26.7 million for the year ended December 31, 2014, an increase of \$8.4 million compared to \$18.3 million for the year ended December 31, 2013. The increase in Investment Income was primarily driven by the year over year net appreciation of investments of which Blackstone owns a share.

Performance Fees were \$139.7 million for the year ended December 31, 2014, a decrease of \$75.8 million compared to \$215.5 million for the year ended December 31, 2013. This was primarily due to lower returns. The net returns of the underlying assets within the BPS Composite funds were 5.9% during the year ended December 31, 2014.

Expenses

Expenses were \$260.0 million for the year ended December 31, 2014, a decrease of \$12.1 million compared to the year ended December 31, 2013. The decrease was primarily attributable to a \$26.5 million decrease in Performance Fee Compensation and a \$4.8 million decrease in Compensation, partially offset by a \$19.2 million increase in Other Operating Expenses. Performance Fee Compensation was \$42.2 million for the year ended December 31, 2014, a decrease of \$26.5 million compared to \$68.6 million for the year ended December 31, 2013 due to the decrease in Performance Fees Revenue. Compensation was \$131.7 million for the year ended December 31, 2014, a decrease of \$4.8 million compared to \$136.5 million for the prior year, due to a change in the terms of Deferred Compensation Plan awards which more than offset the increase in Management Fees. Other Operating Expenses were \$86.1 million for the year ended December 31, 2014, an increase of \$19.2 million compared to \$67.0 million for the year ended December 31, 2013, primarily resulting from an increase in interest expense allocated to the segment as well as an increase in professional fees.

Operating Metrics

The following table presents information regarding our Incentive Fee-Earning Assets Under Management:

	Fee-Earning Assets Under Management Eligible for Incentive Fees			Estimated % Above High Water Mark/Benchmark (a)		
	December 31,			December 31,		
	2013	2014	2015	2013	2014	2015
	(Dollars in Thousands)					
BAAM Managed Funds (b)	\$28,640,505	\$34,732,386	\$35,831,499	97%	94%	81%

Note: Totals in graph may not add due to rounding.

- (a) Estimated % Above High Water Mark/Benchmark represents the percentage of Fee-Earning Assets Under Management Eligible for Incentive Fees that as of the dates presented would earn incentive fees when the applicable BAAM managed fund has positive investment performance relative to a benchmark, where applicable. Incremental positive performance in the applicable Blackstone Funds may cause additional assets to reach their respective High Water Mark or clear a benchmark return, thereby resulting in an increase in Estimated % Above High Water Mark/Benchmark.
- (b) For the BAAM managed funds, at December 31, 2015 the incremental appreciation needed for the 19% of Fee-Earning Assets Under Management below their respective High Water Marks/Benchmarks to reach their respective High Water Marks/Benchmarks was \$236.6 million, an increase of \$178.9 million, or 310.2%, compared to \$57.7 million at December 31, 2014. Of the Fee-Earning Assets Under Management below their respective High Water Marks/Benchmarks as of December 31, 2015, 93% were within 5% of reaching their respective High Water Mark.

Composite Returns

Composite returns information is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The composite returns information reflected in this discussion and analysis is not indicative of the financial performance of The Blackstone Group L.P. and is also not necessarily indicative of the future results of any particular fund. An investment in The Blackstone Group L.P. is not an investment in any of our funds or composites. There can be no assurance that any of our funds or composites or our other existing and future funds or composites will achieve similar returns.

The following table presents the return information of the BAAM Managed Funds, BAAM Principal Solutions Composite:

Composite	Average Annual Returns (a)							
	Periods Ended							
	December 31, 2015							
	One Year		Three Year		Five Year		Historical	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
BAAM Managed Funds, BAAM Principal Solutions Composite (b)	3%	2%	7%	6%	6%	5%	7%	6%

The returns presented represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

- (a) Composite returns present a summarized asset-weighted return measure to evaluate the overall performance of the applicable class of Blackstone Funds.
- (b) BAAM's Principal Solutions Composite, formerly known as BAAM's Core Funds Composite, covers the period from January 2000 to present, although BAAM's inception date is September 1990. BAAM's Principal Solutions Composite does not include BAAM's individual investor solutions (i.e., liquid alternatives), long-only equity, long-biased commodities, ventures (i.e., seeding and minority interests) and strategic opportunities (i.e., co-investments), and Senfina (direct trading) platforms except where a BPS fund invests directly into those platforms. BAAM's advisory platforms and liquidating funds are also excluded. On a net of fees basis, the BPS Composite was up 0.2% for the quarter and 2.1% for the full year. The historical return is from January 1, 2000.

Credit

The following table presents the results of operations for our Credit segment:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Segment Revenues							
Management Fees, Net							
Base Management Fees	\$ 500,982	\$460,205	\$398,158	\$ 40,777	9%	\$ 62,047	16%
Transaction and Other Fees, Net	6,371	18,161	28,586	(11,790)	-65%	(10,425)	-36%
Management Fee Offsets	(30,065)	(28,168)	(40,329)	(1,897)	7%	12,161	-30%
Total Management Fees, Net	477,288	450,198	386,415	27,090	6%	63,783	17%
Performance Fees							
Realized							
Carried Interest	96,156	208,432	127,192	(112,276)	-54%	81,240	64%
Incentive Fees	109,396	109,717	220,736	(321)	-0%	(111,019)	-50%
Unrealized							
Carried Interest	(198,820)	(37,913)	108,078	(160,907)	424%	(145,991)	N/M
Incentive Fees	(19,967)	(23,025)	1,107	3,058	-13%	(24,132)	N/M
Total Performance Fees	(13,235)	257,211	457,113	(270,446)	N/M	(199,902)	-44%
Investment Income (Loss)							
Realized	7,186	9,354	4,098	(2,168)	-23%	5,256	128%
Unrealized	(16,258)	5,055	13,951	(21,313)	N/M	(8,896)	-64%
Total Investment Income (Loss)	(9,072)	14,409	18,049	(23,481)	N/M	(3,640)	-20%
Interest and Dividend Revenue	24,599	23,040	18,146	1,559	7%	4,894	27%
Other	5,171	(2,310)	527	7,481	N/M	(2,837)	N/M
Total Revenues	484,751	742,548	880,250	(257,797)	-35%	(137,702)	-16%
Expenses							
Compensation and Benefits							
Compensation	190,189	188,200	186,514	1,989	1%	1,686	1%
Performance Fee Compensation							
Realized							
Carried Interest	52,841	116,254	69,411	(63,413)	-55%	46,843	67%
Incentive Fees	50,113	61,668	111,244	(11,555)	-19%	(49,576)	-45%
Unrealized							
Carried Interest	(107,000)	(28,583)	57,147	(78,417)	274%	(85,730)	N/M
Incentive Fees	(8,395)	(16,252)	508	7,857	-48%	(16,760)	N/M
Total Compensation and Benefits	177,748	321,287	424,824	(143,539)	-45%	(103,537)	-24%
Other Operating Expenses	93,626	90,524	96,940	3,102	3%	(6,416)	-7%
Total Expenses	271,374	411,811	521,764	(140,437)	-34%	(109,953)	-21%
Economic Income	\$ 213,377	\$330,737	\$358,486	\$(117,360)	-35%	\$ (27,749)	-8%

N/M Not meaningful.

Year Ended December 31, 2015 Compared to Year Ended December 31, 2014

Revenues

Revenues were \$484.8 million for the year ended December 31, 2015, which were \$257.8 million lower compared to \$742.5 million for the year ended December 31, 2014. The decrease in revenues was primarily attributable to lower Performance Fees and Investment Income of \$270.4 million and \$23.5 million, respectively, partially offset by an increase of \$27.1 million in Total Management Fees, Net.

During the fourth quarter of 2015, the credit markets experienced widening credit spreads and significant illiquidity, particularly for below investment grade credit. In addition, energy-related issuers, which represent a significant component of the below investment grade credit markets, are operating in an environment in which oil and natural gas prices have declined materially to their lowest levels in years. Performance in all three of our alternative credit strategies was negatively impacted in the fourth quarter of 2015 by the performance of our energy investments, declines in the credit market, underperformance in certain event-driven assets and technical pressure caused by year-end selling. In the near term continued market pressure may further affect these marks. In any event, if below investment grade credit, and energy, remain depressed or subject to highly volatile market conditions, revenues in our Credit segment would likely continue to be negatively impacted.

Performance Fee Losses were \$13.2 million for the year ended December 31, 2015, which were \$270.4 million lower compared to the prior year. This decrease was primarily due to lower rates of appreciation in our hedge fund strategies business as well as our mezzanine and rescue lending businesses. The net returns of Blackstone's significant Credit segment funds were -5.8% for Hedge Fund Strategies, -2.2% for Mezzanine Strategies and -8.8% for Rescue Lending Strategies for the year ended December 31, 2015.

Investment Loss was \$9.1 million for the year ended December 31, 2015, which were \$23.5 million lower compared to the prior year. This decrease was primarily due to the unrealized investment losses in hedge fund strategies, mezzanine funds and long only funds.

Total Management Fees, Net were \$477.3 million for the year ended December 31, 2015, an increase of \$27.1 million compared to \$450.2 million for the year ended December 31, 2014. This increase was primarily attributable to the growth in Fee-Earning Assets Under Management for our hedge fund strategies business and our business development companies.

Expenses

Expenses were \$271.4 million for the year ended December 31, 2015, a decrease of \$140.4 million compared to \$411.8 million for the year ended December 31, 2014. The decrease in expenses was primarily attributable to a decrease of \$145.5 million in Performance Fee Compensation. The decrease in Performance Fee Compensation was due to lower Performance Fees Revenue.

Year Ended December 31, 2014 Compared to December 31, 2013

Revenues

Revenues were \$742.5 million for the year ended December 31, 2014, which were \$137.7 million lower compared to \$880.3 million for the year ended December 31, 2013. The decrease in revenues was primarily attributable to lower Performance Fees of \$199.9 million, partially offset by an increase of \$63.8 million in Total Management Fees, Net.

Performance Fees were \$257.2 million for the year ended December 31, 2014, which were \$199.9 million lower compared to the prior year. This decrease was primarily due to lower rates of appreciation in our hedge fund strategies business and our rescue lending business. The net returns of Blackstone's significant Credit segment funds were 0.1% for Hedge Fund Strategies, 17.6% for Mezzanine Fund Strategies and 11.9% for Rescue Lending Strategies for the year ended December 31, 2014.

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Total Management Fees, Net were \$450.2 million for the year ended December 31, 2014, an increase of \$63.8 million compared to \$386.4 million for the year ended December 31, 2013. This increase was primarily attributable to the growth in Fee-Earning Assets Under Management for our hedge fund strategies business and our business development companies.

Expenses

Expenses were \$411.8 million for the year ended December 31, 2014, a decrease of \$110.0 million compared to \$521.8 million for the year ended December 31, 2013. The decrease in expenses was primarily attributable to a decrease of \$105.2 million in Performance Fee Compensation. The decrease in Performance Fee Compensation was due to lower Performance Fees Revenue.

Fund Returns

Fund return information for our significant businesses is included throughout this discussion and analysis to facilitate an understanding of our results of operations for the periods presented. The fund returns information reflected in this discussion and analysis is not indicative of the financial performance of The Blackstone Group L.P. and is also not necessarily indicative of the future results of any particular fund. An investment in The Blackstone Group L.P. is not an investment in any of our funds. There can be no assurance that any of our funds or our other existing and future funds will achieve similar returns.

As of December 31, 2015, the Credit segment's returns reflect composite returns for funds included within each alternative strategy as set forth below. Previously, these returns reflected only the composite returns for the flagship funds in each strategy. The historical returns presented in the tables below have been updated to conform to the current presentation.

The following table presents composite return information of the segment's Hedge Fund Strategies funds:

Fund	Average Annual Returns (a)							
	Periods Ended							
	December 31, 2015							
	One Year		Three Year		Five Year		Historical	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Hedge Fund Strategies (b)	-4%	-6%	7%	4%	9%	6%	11%	7%

The returns presented represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

- (a) Average annual returns present a summarized asset-weighted return measure to evaluate the overall performance of the applicable class of Blackstone Funds.
- (b) The Hedge Fund Strategies' returns represent a weighted-average composite of the fee-earning funds exceeding \$100 million of fair value at each respective quarter end excluding the Blackstone Funds that were contributed to GSO as part of Blackstone's acquisition of GSO in March 2008. The historical returns are from August 1, 2005.

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The following table presents combined internal rates of return of the segment's Mezzanine Strategies funds and Rescue Lending Strategies funds:

Composite (a)	Year Ended December 31,						Inception to December 31, 2015	
	2015		2014		2013		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Mezzanine Strategies (b)	-1%	-2%	23%	18%	26%	18%	23%	16%
Rescue Lending Strategies (c)	-11%	-9%	15%	12%	33%	24%	16%	12%

The returns presented herein represent those of the applicable Blackstone Funds and not those of The Blackstone Group L.P.

- (a) Net returns are based on the change in carrying value (realized and unrealized) after management fees, expenses and performance fee allocations, net of tax advances.
- (b) The Mezzanine Strategies' returns represent the IRR of the combined cash flows of the fee-earning funds exceeding \$100 million of fair value at each respective quarter end excluding the Blackstone Funds that were contributed to GSO as part of Blackstone's acquisition of GSO in March 2008. The inception to date returns are from July 16, 2007.
- (c) The Rescue Lending Strategies' returns represent the IRR of the combined cash flows of the fee-earning funds exceeding \$100 million of fair value at each respective quarter end. The inception to date returns are from September 29, 2009.

As of December 31, 2015, one drawdown fund within Rescue Lending Strategies return was 1% below the Carried Interest threshold. For the Mezzanine Lending Strategies return, two funds representing 11.2% of the fair value included in the return were below their Carried Interest threshold.

Financial Advisory

The following table presents the results of operations for our Financial Advisory segment:

	Year Ended December 31,			2015 vs. 2014		2014 vs. 2013	
	2015	2014	2013	\$	%	\$	%
(Dollars in Thousands)							
Segment Revenues							
Advisory Fees	\$297,570	\$398,942	\$386,201	\$(101,372)	-25%	\$12,741	3%
Transaction and Other Fees, Net	162	379	415	(217)	-57%	(36)	-9%
Total Advisory and Transaction Fees	297,732	399,321	386,616	(101,589)	-25%	12,705	3%
Investment Income (Loss)							
Realized	(868)	707	(1,625)	(1,575)	N/M	2,332	N/M
Unrealized	(39)	860	739	(899)	N/M	121	16%
Total Investment Income (Loss)	(907)	1,567	(886)	(2,474)	N/M	2,453	N/M
Interest and Dividend Revenue	12,520	10,000	7,997	2,520	25%	2,003	25%
Other	(1,303)	428	1,450	(1,731)	N/M	(1,022)	-70%
Total Revenues	308,042	411,316	395,177	(103,274)	-25%	16,139	4%
Expenses							
Compensation and Benefits							
Compensation	180,917	226,837	258,284	(45,920)	-20%	(31,447)	-12%
Other Operating Expenses	62,326	87,484	81,843	(25,158)	-29%	5,641	7%
Total Expenses	243,243	314,321	340,127	(71,078)	-23%	(25,806)	-8%
Economic Income	\$ 64,799	\$ 96,995	\$ 55,050	\$ (32,196)	-33%	\$ 41,945	76%

N/M Not meaningful.

As a result of the spin-off on October 1, 2015 of Blackstone's Financial Advisory business, which did not include BXCM, the results of BXCM were reclassified from the Financial Advisory segment to the Private Equity segment. All prior periods have been recast to reflect this reclassification. Subsequent to September 30, 2015, the former Financial Advisory segment is reporting no revenues, no expenses, and no results. The table presented above is for comparative purposes only.

Liquidity and Capital Resources

General

Blackstone's business model derives revenue primarily from third party assets under management. Blackstone is not a capital or balance sheet intensive business and targets operating expense levels such that total management and advisory fees exceed total operating expenses each period. As a result, we require limited capital resources to support the working capital or operating needs of our businesses. We draw primarily on the long-term committed capital of our limited partner investors to fund the investment requirements of the Blackstone Funds and use our own realizations and cash flows to invest in growth initiatives, make commitments to our own funds, where our minimum general partner commitments are generally less than 5% of the limited partner commitments of a fund, and pay distributions to unitholders.

Fluctuations in our statement of financial condition result primarily from activities of the Blackstone Funds which are consolidated as well as business transactions, such as the issuance of senior notes described below. The majority economic ownership interests of the Blackstone Funds are reflected as Redeemable Non-Controlling Interests in Consolidated Entities, Non-Controlling Interests in Consolidated Entities and Appropriated Partners' Capital in the Consolidated Financial Statements. The consolidation of these Blackstone Funds has no net effect on the Partnership's Net Income or Partners' Capital. Additionally, fluctuations in our statement of financial condition also include appreciation or depreciation in Blackstone investments in the Blackstone Funds, additional investments and redemptions of such interests in the Blackstone Funds and the collection of receivables related to management and advisory fees.

Total assets were \$22.5 billion as of December 31, 2015, down \$9.0 billion from December 31, 2014. The decrease was principally due to a decrease in Investments of \$8.4 billion. Total liabilities were \$10.3 billion as of December 31, 2015, a decrease of \$3.9 billion from December 31, 2014. The decrease was principally due to a decrease in Loans Payable of \$2.8 billion. The decreases in total assets and total liabilities was primarily due to the adoption as of January 1, 2015 of new accounting consolidation guidance which resulted in the deconsolidation of certain Blackstone Funds.

For the year ended December 31, 2015, we had Total Fee Related Revenues of \$2.6 billion and related expenses of \$1.6 billion, generating Fee Related Earnings of \$935.6 million and Distributable Earnings of \$3.8 billion.

Sources of Liquidity

We have multiple sources of liquidity to meet our capital needs, including annual cash flows, accumulated earnings in the businesses, investments in our own Treasury and liquid funds and access to our debt capacity, including our \$1.1 billion committed revolving credit facility and the proceeds from our 2009, 2010, 2012, 2014 and 2015 issuances of senior notes. As of December 31, 2015, Blackstone had \$1.8 billion in cash, \$2.2 billion invested in Blackstone's Treasury Cash Management Strategies, \$159.8 million invested in liquid Blackstone Funds, \$1.9 billion invested in illiquid Blackstone Funds and \$129.5 million invested in other investments, against \$2.8 billion in borrowings from our bond issuances, and no borrowings outstanding under our revolving credit facility.

On April 27, 2015, Blackstone issued \$350 million in aggregate principal amount of 4.450% senior notes which will mature on July 15, 2045.

On May 19, 2015, Blackstone issued €300 million in aggregate principal amount of 2.000% senior notes which will mature on May 19, 2025.

In addition to the cash we received from our debt offerings and availability under our committed revolving credit facility, we expect to receive (a) cash generated from operating activities, (b) Carried Interest and incentive income realizations, and (c) realizations on the carry and hedge fund investments that we make. The amounts received from these three sources in particular may vary substantially from year to year and quarter to quarter depending on the frequency and size of realization events or net returns experienced by our investment funds. Our available capital could be adversely affected if there are prolonged periods of few substantial realizations from our investment funds accompanied by substantial capital calls for new investments from those investment funds. Therefore, Blackstone's commitments to our funds are taken into consideration when managing our overall liquidity and cash position.

We use Distributable Earnings, which is derived from our segment reported results, as a supplemental non-GAAP measure to assess performance and amounts available for distributions to Blackstone unitholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships. Distributable Earnings is intended to show the amount of net realized earnings without the effects of the consolidation of the Blackstone Funds. Distributable Earnings is derived from and reconciled to, but not equivalent to, its most directly comparable GAAP measure of Income (Loss) Before Provision for Taxes. Distributable Earnings, which is a component of Economic Net Income, is the sum across all segments of: (a) Total Management and Advisory Fees, (b) Interest and Dividend Revenue, (c) Other Revenue, (d) Realized Performance Fees, and (e) Realized Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Performance Fee Compensation, (c) Other Operating Expenses, and (d) Taxes and Related Payables including the Payable Under Tax Receivable Agreement.

The following table calculates Blackstone's Fee Related Earnings, Distributable Earnings and Economic Net Income:

(Dollars in Thousands)	2015	2014	2013	
► Base Management Fees ^(a)	\$ 2,196,583	\$ 1,987,529	\$ 1,740,807	Fee Earnings
► Advisory Fees ^(a)	308,131	420,845	410,514	
► Transaction and Other Fees, Net ^(a)	153,685	246,437	206,977	
► Management Fee Offsets ^(a)	(93,494)	(86,771)	(72,220)	
► Other Revenue ^(a)	8,500	9,405	10,308	
► Compensation ^(a)	(1,189,219)	(1,153,511)	(1,115,640)	
► Non-Interest Operating Expenses ^(b)	(448,575)	(420,927)	(382,735)	
Fee Related Earnings	\$ 935,611	\$ 1,003,007	\$ 798,011	Distributable Earnings
► Net Realized Incentive Fees ^(b)	108,800	151,646	273,418	
► Net Realized Carried Interest ^(b)	2,412,076	1,634,953	686,757	
► Realized Investment Income ^(a)	418,808	543,425	170,471	
► Net Interest (Loss) ^(b)	(44,181)	(36,511)	(32,968)	
► Taxes and Related Payables ^(c)	(90,470)	(280,788)	(156,734)	
► Equity-Based Compensation ^(d)	103,044	48,226	130,124	
Distributable Earnings	\$ 3,843,688	\$ 3,063,958	\$ 1,869,079	Economic Net Income
► Net Unrealized Incentive Fees ^(b)	(4,759)	(10,149)	(8,277)	
► Net Unrealized Carried Interest ^(b)	(1,282,600)	1,329,924	1,191,293	
► Unrealized Investment Income (Loss) ^(a)	(365,959)	(71,797)	517,334	
► Add Back: Related Payables ^(e)	62,943	81,276	74,570	
► Less: Equity-Based Compensation ^(d)	(103,044)	(48,226)	(130,124)	
Economic Net Income	\$ 2,150,269	\$ 4,344,986	\$ 3,513,875	

- (a) Represents the total segment amounts of the respective captions. See Note 21. "Segment Reporting" in the "Notes to Consolidated Financial Statements" in "— Item 8. Financial Statements and Supplementary Data" of this filing.
- (b) Detail on this amount is included in the table below.
- (c) Represents the current tax provision calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.
- (d) Represents equity-based award expense included in Economic Income.
- (e) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

The following calculates the components of Fee Related Earnings, Distributable Earnings and Economic Net Income in the above table identified by note (b):

(Dollars in Thousands)	2015	2014	2013
Operating Expenses ^(a)	\$ 624,357	\$ 553,782	\$ 486,639
Less: Interest Expense	(175,782)	(132,855)	(103,904)
Non-Interest Operating Expenses	\$ 448,575	\$ 420,927	\$ 382,735
Realized Incentive Fees ^(a)	194,746	261,745	474,333
Less: Realized Incentive Fee Compensation ^(a)	(85,946)	(110,099)	(200,915)
Net Realized Incentive Fees	\$ 108,800	\$ 151,646	\$ 273,418
Realized Carried Interest ^(a)	3,205,876	2,450,596	943,958
Less: Realized Carried Interest Compensation ^(a)	(793,800)	(815,643)	(257,201)
Net Realized Carried Interest	\$ 2,412,076	\$ 1,634,953	\$ 686,757
Interest Income and Dividend Revenue ^(a)	131,601	96,344	70,936
Less: Interest Expense	(175,782)	(132,855)	(103,904)
Net Realized Investment Loss	\$ (44,181)	\$ (36,511)	\$ (32,968)
Equity-Based Compensation^(b)	\$ 103,044	\$ 48,226	\$ 130,124
Taxes and Related Payables^(c)	\$ (90,470)	\$ (280,788)	\$ (156,734)
Unrealized Incentive Fees ^(a)	(7,249)	(29,425)	(19,928)
Less: Unrealized Incentive Fee Compensation ^(a)	2,490	19,276	11,651
Net Unrealized Incentive Fees	\$ (4,759)	\$ (10,149)	\$ (8,277)
Unrealized Carried Interest ^(a)	(1,595,296)	1,708,961	2,158,010
Less: Unrealized Carried Interest Compensation ^(a)	312,696	(379,037)	(966,717)
Net Unrealized Carried Interest	\$ (1,282,600)	\$ 1,329,924	\$ 1,191,293
Related Payables^(d)	\$ 62,943	\$ 81,276	\$ 74,570

- (a) Represents the total segment amounts of the respective captions. See Note 21. “Segment Reporting” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing.
- (b) Represents equity-based award expense included in Economic Income, which excludes all transaction-related equity-based charges.
- (c) Taxes and Related Payables Including Payable Under Tax Receivable Agreement represent the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.
- (d) Represents tax-related payables including the Payable Under Tax Receivable Agreement, which is a component of Taxes and Related Payables.

The following table is a reconciliation of Net Income Attributable to The Blackstone Group L.P. to Economic Income, of Economic Income to Economic Net Income, of Economic Net Income to Fee Related Earnings, of Fee Related Earnings to Distributable Earnings and of Distributable Earnings to Adjusted Earnings Before Interest, Taxes and Depreciation and Amortization:

(Dollars in Thousands)	2015	2014	2013
Net Income Attributable to The Blackstone Group L.P.	\$ 709,789	\$ 1,584,589	\$ 1,171,202
Net Income Attributable to Non-Controlling Interests			
in Blackstone Holdings	683,516	1,701,100	1,339,845
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	219,900	335,070	198,557
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	11,145	74,794	183,315
Net Income	\$ 1,624,350	\$ 3,695,553	\$ 2,892,919
Provision for Taxes	190,398	291,173	255,642
Income Before Provision for Taxes	\$ 1,814,748	\$ 3,986,726	\$ 3,148,561
Transaction Related Charges ^(a)	489,563	856,382	722,707
Amortization of Intangibles ^(b)	104,530	111,254	106,643
(Income) Associated with Non-Controlling Interests of Consolidated Entities ^(c)	(231,045)	(409,864)	(381,872)
Economic Income	\$ 2,177,796	\$ 4,544,498	\$ 3,596,039
Taxes ^(d)	(27,527)	(199,512)	(82,164)
Economic Net Income	\$ 2,150,269	\$ 4,344,986	\$ 3,513,875
Taxes ^(d)	27,527	199,512	82,164
Performance Fee Adjustment ^(e)	(1,798,077)	(4,391,877)	(3,556,373)
Investment (Income) Adjustment ^(f)	(52,849)	(471,628)	(687,805)
Net Interest Loss ^(g)	44,181	36,511	32,968
Performance Fee Compensation and Benefits Adjustment ^(h)	564,560	1,285,503	1,413,182
Fee Related Earnings	\$ 935,611	\$ 1,003,007	\$ 798,011
Net Realized Performance Fees ⁽ⁱ⁾	2,520,876	1,786,599	960,175
Realized Investment Income ^(j)	418,808	543,425	170,471
Net Interest (Loss) ^(g)	(44,181)	(36,511)	(32,968)
Taxes and Related Payables Including Payable Under Tax Receivable Agreement ^(k)	(90,470)	(280,788)	(156,734)
Equity-Based Compensation ^(l)	103,044	48,226	130,124
Distributable Earnings	\$ 3,843,688	\$ 3,063,958	\$ 1,869,079
Interest Expense	175,782	132,855	103,904
Taxes and Related Payables Including Payable Under Tax Receivable Agreement ^(k)	90,470	280,788	156,734
Depreciation and Amortization	27,213	32,300	35,441
Adjusted EBITDA	\$ 4,137,153	\$ 3,509,901	\$ 2,165,158

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- (a) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes amounts for Transaction-Related Charges which include principally equity-based compensation charges associated with Blackstone's initial public offering and long-term retention programs outside of annual deferred compensation and other corporate actions.
- (b) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes amounts for the Amortization of Intangibles which are associated with Blackstone's initial public offering and other corporate actions.
- (c) This adjustment adds back to Income (Loss) Before Provision (Benefit) for Taxes the amount of (Income) Loss Associated with Non-Controlling Interests of Consolidated Entities and includes the amount of Management Fee Revenues associated with Consolidated CLO Entities.
- (d) Taxes represent the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes.
- (e) This adjustment removes from EI the total segment amount of Performance Fees.
- (f) This adjustment removes from EI the total segment amount of Investment Income (Loss).
- (g) This adjustment represents Interest Income and Dividend Revenue less Interest Expense.
- (h) This adjustment removes from expenses the compensation and benefit amounts related to Blackstone's profit sharing plans related to Performance Fees.
- (i) Represents the adjustment for realized Performance Fees net of corresponding actual amounts due under Blackstone's profit sharing plans related thereto. Equals the sum of Net Realized Incentive Fee and Net Realized Carried Interest.
- (j) Represents the adjustment for Blackstone's Investment Income (Loss) — Realized.
- (k) Taxes and Related Payables Including Payable Under Tax Receivable Agreement represent the current tax provision (benefit) calculated on Income (Loss) Before Provision (Benefit) for Taxes and the Payable Under Tax Receivable Agreement.
- (l) Represents equity-based award expense included in EI, which excludes all transaction-related equity-based charges.

Liquidity Needs

We expect that our primary liquidity needs will be cash to (a) provide capital to facilitate the growth of our existing businesses which principally includes funding our general partner and co-investment commitments to our funds, (b) provide capital to facilitate our expansion into new businesses that are complementary, (c) pay operating expenses, including cash compensation to our employees and other obligations as they arise, (d) fund modest capital expenditures, (e) repay borrowings and related interest costs, (f) pay income taxes, and (g) make distributions to our unitholders and the holders of Blackstone Holdings Partnership Units. Our own capital commitments to our funds, the funds we invest in and our investment strategies as of December 31, 2015 consisted of the following:

Fund	Blackstone and General Partner		Senior Managing Directors and Certain Other Professionals (a)	
	Original Commitment	Remaining Commitment	Original Commitment	Remaining Commitment
(Dollars in Thousands)				
Private Equity				
BCP VII	\$ 500,000	\$ 500,000	\$ 225,000	\$ 225,000
BCP VI	719,718	186,033	250,000	64,620
BCP V	629,356	40,519	—	—
BEP I	50,000	5,460	—	—
BEP II	80,000	80,000	26,667	26,667
Tactical Opportunities	227,060	113,985	48,020	24,106
Strategic Partners	170,316	113,019	20,294	12,582
Other (b)	216,362	20,971	—	—
Real Estate Funds				
BREP VIII	300,000	241,722	100,000	80,574
BREP VII	300,000	56,048	100,000	18,683
BREP VI	750,000	38,840	150,000	7,768
BREP Europe III	100,000	13,231	35,000	4,631
BREP Europe IV	130,000	38,268	43,333	12,756
BREP Asia	50,392	23,424	16,797	7,808
BREDS II	50,000	26,693	16,667	8,898
CT Opportunity Partners I (b)	25,000	23,410	—	—
Other (c)	149,201	32,206	—	—
Hedge Fund Solutions				
Strategic Alliance	50,000	2,033	—	—
Strategic Alliance II	50,000	1,482	—	—
Strategic Alliance III	2,000	2,000	—	—
Strategic Holdings LP	50,000	45,847	—	—
Other (c)	800	611	—	—
Credit				
Capital Opportunities Fund II L.P.	120,000	98,356	110,115	51,693
GSO Capital Solutions II	125,000	56,334	119,755	94,229
Blackstone/GSO Capital Solutions	50,000	9,462	27,666	5,236
BMezz II	17,692	3,085	—	—
GSO Credit Alpha Fund LP	52,102	34,852	50,493	33,776
GSO Euro Senior Debt Fund LP	63,000	59,842	57,223	54,355
GSP Energy Select Opportunities Fund	80,000	73,750	75,044	69,181
Other (c)	87,631	43,454	15,035	7,912
Other				
Treasury	38,417	9,534	—	—
Total	\$5,234,047	\$1,994,471	\$1,487,109	\$ 810,475

- (a) For some of the general partner commitments shown in the table above we require our senior managing directors and certain other professionals to fund a portion of the commitment even though the ultimate obligation to fund the aggregate commitment is ours pursuant to the governing agreements of the respective

funds. The amounts of the aggregate applicable general partner original and remaining commitment are shown in the table above. In addition, certain senior managing directors and other professionals are required to fund a de minimis amount of the commitment in the other private equity, real estate and credit-focused carry funds. We expect our commitments to be drawn down over time and to be funded by available cash and cash generated from operations and realizations. Taking into account prevailing market conditions and both the liquidity and cash or liquid investment balances, we believe that the sources of liquidity described above will be more than sufficient to fund our working capital requirements.

- (b) Represents a legacy fund managed by us as a result of the 2012 acquisition of the investment advisory business of BXMT.
- (c) Represents capital commitments to a number of other funds in each respective segment.

Blackstone, through indirect subsidiaries, has a \$1.1 billion unsecured revolving credit facility (the “Credit Facility”) with Citibank, N.A., as Administrative Agent with a maturity date of May 29, 2019. Borrowings may also be made in U.K. sterling, euros, Swiss francs or Japanese yen, in each case subject to certain sub-limits. The Credit Facility contains customary representations, covenants and events of default. Financial covenants consist of a maximum net leverage ratio and a requirement to keep a minimum amount of fee-earning assets under management, each tested quarterly.

In August 2009, Blackstone Holdings Finance Co. L.L.C. issued \$600 million in aggregate principal amount of 6.625% Senior Notes which will mature on August 15, 2019, unless earlier redeemed or repurchased. In September 2010, Blackstone Holdings Finance Co. L.L.C. issued \$400 million in aggregate principal amount of 5.875% Senior Notes which will mature on March 15, 2021, unless earlier redeemed or repurchased. In August 2012, Blackstone Holdings Finance Co. L.L.C. issued \$400 million in aggregate principal amount of 4.75% Senior Notes which will mature on February 15, 2023 and \$250 million in aggregate principal amount of 6.25% Senior Notes which will mature on August 15, 2042. In April 2014, Blackstone Holdings Finance Co. L.L.C. issued \$500 million in aggregate principal amount of 5.000% Senior Notes which will mature on June 15, 2044, unless earlier redeemed or repurchased. In April 2015, Blackstone Holdings Finance Co. L.L.C. issued \$350 million in aggregate principal amount of 4.450% Senior Notes which will mature on July 15, 2045, unless earlier redeemed or repurchased. In May 2015, Blackstone Holdings Finance Co. L.L.C. issued €300 million in aggregate principal amount of 2.000% Senior Notes which will mature on May 19, 2025, unless earlier redeemed or repurchased. (These Senior Notes are collectively referred to as the “Notes”.) The Notes are unsecured and unsubordinated obligations of Blackstone Holdings Finance Co. L.L.C. and are fully and unconditionally guaranteed, jointly and severally, by The Blackstone Group L.P. and each of the Blackstone Holdings Partnerships. The Notes contain customary covenants and financial restrictions that, among other things, limit Blackstone Holdings Finance Co. L.L.C. and the guarantors’ ability, subject to certain exceptions, to incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or lease assets. The Notes also contain customary events of default. All or a portion of the Notes may be redeemed at our option, in whole or in part, at any time and from time to time, prior to their stated maturity, at the make-whole redemption price set forth in the Notes. If a change of control repurchase event occurs, the Notes are subject to repurchase at the repurchase price as set forth in the Notes.

In January 2008, the Board of Directors of our general partner, Blackstone Group Management L.L.C., authorized the repurchase of up to \$500 million of our common units and Blackstone Holdings Partnership Units. Under this unit repurchase program, units may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of Blackstone common units and Blackstone Holdings Partnership Units repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. This unit repurchase program may be suspended or discontinued at any time and does not have a specified expiration date. During the year ended December 31, 2015, no units were repurchased. As of December 31, 2015, the amount remaining under this program available for repurchases was \$335.8 million.

Distributions

Distributable Earnings, which is derived from Blackstone’s segment reported results, is a supplemental measure to assess performance and amounts available for distributions to Blackstone unitholders, including Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Distributable

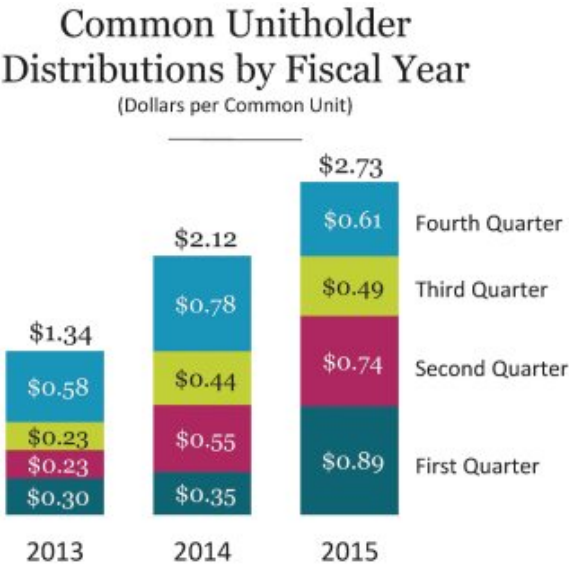
Earnings is intended to show the amount of net realized earnings without the effects of the consolidation of the Blackstone Funds. Distributable Earnings, which is a component of Economic Net Income, is the sum across all segments of: (a) Total Management and Advisory Fees, (b) Interest and Dividend Revenue, (c) Other Revenue, (d) Realized Performance Fees, and (e) Realized Investment Income (Loss); less (a) Compensation, excluding the expense of equity-based awards, (b) Realized Performance Fee Compensation, (c) Other Operating Expenses, and (d) Taxes and Related Payables Including the Payable Under Tax Receivable Agreement.

Our intention is to distribute quarterly to common unitholders approximately 85% of The Blackstone Group L.P.’s share of Distributable Earnings, subject to adjustment by amounts determined by Blackstone’s general partner to be necessary or appropriate to provide for the conduct of its business, to make appropriate investments in its business and funds, to comply with applicable law, any of its debt instruments or other agreements, or to provide for future cash requirements such as tax-related payments, clawback obligations and distributions to unitholders for any ensuing quarter. The amount to be distributed could also be adjusted upward in any one quarter.

All of the foregoing is subject to the qualification that the declaration and payment of any distributions are at the sole discretion of our general partner, and our general partner may change our distribution policy at any time, including, without limitation, to reduce the quarterly distribution payable to our common unitholders or even to eliminate such distributions entirely.

Because the subsidiaries of The Blackstone Group L.P. must pay taxes and make payments under the tax receivable agreements, the amounts ultimately distributed by The Blackstone Group L.P. to its common unitholders in respect of each fiscal year are expected to be less, on a per unit basis, than the amounts distributed by the Blackstone Holdings Partnerships to the Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships in respect of their Blackstone Holdings Partnership Units.

The following chart shows fiscal quarterly and annual per common unitholder distributions for 2013, 2014 and 2015. Distributions are declared and paid in the quarter subsequent to the quarter in which they are earned.



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With respect to fiscal year 2015, we have paid to common unitholders distributions of \$0.89, \$0.74, \$0.49 and \$0.61 per common unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.73 per common unit. With respect to fiscal years 2014 and 2013, we paid aggregate common unitholder distributions of \$2.12 per common unit and \$1.34 per common unit, respectively.

With respect to fiscal year 2015, we have paid to the Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships distributions of \$0.90, \$0.74, \$0.49 and \$0.65 per Blackstone Holdings Partnership Unit in respect of the first, second, third and fourth quarters, respectively, aggregating \$2.78 per Blackstone Holdings Partnership Unit. With respect to fiscal years 2014 and 2013, we paid aggregate distributions of \$2.46 per Blackstone Holdings Partnership Unit and \$1.52 per Blackstone Holdings Partnership Unit, respectively.

Leverage

We may under certain circumstances use leverage opportunistically and over time to create the most efficient capital structure for Blackstone and our public common unitholders. In addition to the borrowings from our bond issuances and our revolving credit facility, our Treasury Cash Management Strategies may use reverse repurchase agreements, repurchase agreements and securities sold, not yet purchased. All of these positions are held in a separately managed portfolio. Reverse repurchase agreements are entered into primarily to take advantage of opportunistic yields otherwise absent in the overnight markets and also to use the collateral received to cover securities sold, not yet purchased. Repurchase agreements are entered into primarily to opportunistically yield higher spreads on purchased securities. The balances held in these financial instruments fluctuate based on Blackstone's liquidity needs, market conditions and investment risk profiles.

Generally our private equity funds, real estate funds, funds of hedge funds and credit-focused funds have not utilized substantial leverage at the fund level other than for (a) short-term borrowings between the date of an investment and the receipt of capital from the investing fund's investors, and (b) long-term borrowings for certain investments in aggregate amounts which are generally 2% to 20% of the capital commitments of the respective fund. Our carry funds make direct or indirect investments in companies that utilize leverage in their capital structure. The degree of leverage employed varies among portfolio companies.

Certain of our Real Estate debt hedge funds, Hedge Fund Solutions and Credit funds use leverage in order to obtain additional market exposure, enhance returns on invested capital and/or to bridge short-term cash needs. The forms of leverage primarily employed by these funds include purchasing securities on margin, utilizing collateralized financing and using derivative instruments.

The following table presents information regarding these financial instruments in our Consolidated Statements of Financial Condition:

	Reverse Repurchase Agreements	Repurchase Agreements	Securities Sold, Not Yet Purchased
	(Dollars in Millions)		
Balance, December 31, 2015	\$ 204.9	\$ 40.9	\$ 176.7
Balance, December 31, 2014	\$ —	\$ 29.9	\$ 85.9
Year Ended December 31, 2015			
Average Daily Balance	\$ 92.9	\$ 61.9	\$ 172.5
Maximum Daily Balance	\$ 236.2	\$ 147.2	\$ 281.9

Critical Accounting Policies

We prepare our Consolidated Financial Statements in accordance with GAAP. 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. Actual results may be affected negatively based on changing circumstances. 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 Note 2. “Summary of Significant Accounting Policies” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing.)

Principles of Consolidation

The Partnership consolidates all entities that it controls through a majority voting interest or otherwise, including those Blackstone Funds in which the general partner has a controlling financial interest. The Partnership has a controlling interest in Blackstone Holdings because the limited partners do not have the right to dissolve the partnerships 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 interests to reflect the economic interests of the limited partners of Blackstone Holdings.

In addition, the Partnership consolidates all variable interest entities (“VIE”) in which it is the primary beneficiary. An enterprise is determined to be the primary beneficiary if it holds a controlling financial interest. A controlling financial interest is defined as (a) the power to direct the activities of a VIE that most significantly impact the entity’s economic performance and (b) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (a) whether an entity in which the Partnership holds a variable interest is a VIE and (b) whether the Partnership’s involvement, through holding interests directly or indirectly in the entity or contractually through other variable interests (for example, management and performance related fees), would give it a controlling financial interest. Performance of that analysis requires the exercise of judgment.

The Partnership determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a variable interest entity and reconsiders that conclusion continually. In evaluating whether the Partnership is the primary beneficiary, Blackstone evaluates its economic interests in the entity held either directly or indirectly by the Partnership. The consolidation analysis can generally be performed qualitatively; however, if it is not readily apparent that the Partnership is not the primary beneficiary, a quantitative analysis may also be performed. Investments and redemptions (either by the Partnership, affiliates of the Partnership or third parties) or amendments to the governing documents of the respective Blackstone Funds could affect an entity’s status as a VIE or the determination of the primary beneficiary. At each reporting date, the Partnership assesses whether it is the primary beneficiary and will consolidate or deconsolidate accordingly.

Assets of consolidated VIEs that can only be used to settle obligations of the consolidated VIE and liabilities of a consolidated VIE for which creditors (or beneficial interest holders) do not have recourse to the general credit of Blackstone are presented in a separate section in the Consolidated Statements of Financial Condition.

Revenue Recognition

Revenues primarily consist of management and advisory fees, performance fees, investment income, interest and dividend revenue and other. Please refer to “Part I. Item 1. Business — Incentive Arrangements / Fee Structure” for additional information regarding the manner in which Base Management Fees and Performance Fees are generated.

Management and Advisory Fees, Net — Management and Advisory Fees, Net are comprised of management fees, including base management fees, transaction and other fees, advisory fees and management fee reductions and offsets.

The Partnership earns base management fees from limited partners of funds in each of its managed funds, at a fixed percentage of assets under management, net asset value, total assets, committed capital or invested capital, or in some cases, a fixed fee. Base management fees are recognized based on contractual terms specified in the underlying investment advisory agreements. The range of management fee rates and the calculation base from which they are earned, generally, are as follows:

On private equity, real estate, and certain credit-focused funds:

- 0.25% to 2.00% of committed capital or invested capital during the investment period,
- 0.25% to 1.75% of invested capital or investment fair value subsequent to the investment period for private equity and real estate funds, and
- 1.00% to 1.50% of invested capital or net asset value subsequent to the investment period for certain credit-focused funds.

On real estate and credit-focused funds structured like hedge funds:

- 1.50% of net asset value.

On credit-focused separately managed accounts:

- 0.35% to 1.35% of net asset value.

On real estate separately managed accounts:

- 0.50% to 2.00% of invested capital, net operating income or net asset value.

On funds of hedge funds and separately managed accounts invested in hedge funds:

- 0.50% to 1.25% of net asset value.

On CLO vehicles:

- 0.40% to 0.65% of total assets.

On credit-focused registered and non-registered investment companies:

- 0.35% to 1.50% of fund assets or net asset value.

The investment adviser of BXMT receives annual management fees based upon 1.50% of BXMT's net proceeds received from equity offerings and accumulated "core earnings" (which is generally equal to its GAAP net income excluding certain non-cash and other items), subject to certain adjustments.

Transaction and other fees (including monitoring fees) are fees charged directly to managed funds and portfolio companies. The investment advisory agreements generally require that the investment adviser reduce the amount of management fees payable by the limited partners to the Partnership ("management fee reductions") by an amount equal to a portion of the transaction and other fees directly paid to the Partnership by the portfolio companies. The amount of the reduction varies by fund, the type of fee paid by the portfolio company and the previously incurred expenses of the fund.

Management fee offsets are reductions to management fees payable by the limited partners of the Blackstone Funds, which are granted based on the amount such limited partners reimburse the Blackstone Funds for placement fees.

Advisory fees consist of advisory retainer and transaction-based fee arrangements related to financial and strategic advisory services, restructuring and reorganization advisory services, capital markets services and fund

placement services for alternative investment funds. Advisory retainer fees are recognized when services for the transactions are complete, in accordance with terms set forth in individual agreements. Transaction-based fees are recognized when (a) there is evidence of an arrangement with a client, (b) agreed upon services have been provided, (c) fees are fixed or determinable, and (d) collection is reasonably assured. Fund placement fees are recognized as earned upon the acceptance by a fund of capital or capital commitments.

Accrued but unpaid Management and Advisory Fees, net of management fee reductions and management fee offsets, as of the reporting date are included in Accounts Receivable or Due from Affiliates in the Consolidated Statements of Financial Condition. Management fees paid by limited partners to the Blackstone Funds and passed on to Blackstone are not considered affiliate revenues.

Performance Fees — Performance Fees earned on the performance of Blackstone’s hedge fund structures (“Incentive Fees”) are recognized based on fund performance during the period, subject to the achievement of minimum return levels, or high water marks, in accordance with the respective terms set out in each hedge fund’s governing agreements. Accrued but unpaid Incentive Fees charged directly to investors in Blackstone’s offshore hedge funds as of the reporting date are recorded within Due from Affiliates in the Consolidated Statements of Financial Condition. Accrued but unpaid Incentive Fees on onshore funds as of the reporting date are reflected in Investments in the Consolidated Statements of Financial Condition. Incentive Fees are realized at the end of a measurement period, typically annually. Once realized, such fees are not subject to clawback or reversal.

In certain fund structures, specifically in private equity, real estate and certain Hedge Fund Solutions and credit-focused funds (“Carry Funds”), performance fees (“Carried Interest”) are allocated to the general partner based on cumulative fund performance to date, subject to a preferred return to limited partners. At the end of each reporting period, the Partnership calculates the Carried Interest that would be due to the Partnership for each fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as Carried Interest to reflect either (a) positive performance resulting in an increase in the Carried Interest allocated to the general partner or (b) negative performance that would cause the amount due to the Partnership to be less than the amount previously recognized as revenue, resulting in a negative adjustment to Carried Interest allocated to the general partner. In each scenario, it is necessary to calculate the Carried Interest on cumulative results compared to the Carried Interest recorded to date and make the required positive or negative adjustments. The Partnership ceases to record negative Carried Interest allocations once previously recognized Carried Interest allocations for such fund have been fully reversed. The Partnership is not obligated to pay guaranteed returns or hurdles, and therefore, cannot have negative Carried Interest over the life of a fund. Accrued but unpaid Carried Interest as of the reporting date is reflected in Investments in the Consolidated Statements of Financial Condition.

Carried Interest is realized when an underlying investment is profitably disposed of and the fund’s cumulative returns are in excess of the preferred return or, in limited instances, after certain thresholds for return of capital are met. Carried Interest is subject to clawback to the extent that the Carried Interest received to date exceeds the amount due to Blackstone based on cumulative results. As such, the accrual for potential repayment of previously received Carried Interest, which is a component of Due to Affiliates, represents all amounts previously distributed to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone Funds if the Blackstone Carry Funds were to be liquidated based on the current fair value of the underlying funds’ investments as of the reporting date. The actual clawback liability, however, generally does not become realized until the end of a fund’s life except for certain funds, including certain Blackstone real estate funds, multi-asset class investment funds and credit-focused funds, which may have an interim clawback liability.

Investment Income (Loss) — Investment Income (Loss) represents the unrealized and realized gains and losses on the Partnership’s principal investments, including its investments in Blackstone Funds that are not consolidated, its equity method investments, and other principal investments. Investment Income (Loss) is realized when the Partnership redeems all or a portion of its investment or when the Partnership receives cash income, such as

dividends or distributions. Unrealized Investment Income (Loss) results from changes in the fair value of the underlying investment as well as the reversal of unrealized gain (loss) at the time an investment is realized.

Interest and Dividend Revenue — Interest and Dividend Revenue comprises primarily interest and dividend income earned on principal investments held by Blackstone.

Other Revenue — Other Revenue consists of miscellaneous income and foreign exchange gains and losses arising on transactions denominated in currencies other than U.S. dollars.

Expenses

Our expenses include compensation and benefits expense and general and administrative expenses. Our accounting policies related thereto are as follows:

Compensation and Benefits — Compensation — Compensation and Benefits consists of (a) employee compensation, comprising salary and bonus, and benefits paid and payable to employees and senior managing directors and (b) equity-based compensation associated with the grants of equity-based awards to employees and senior managing directors. Compensation cost relating to the issuance of equity-based awards to senior managing directors and employees is measured at fair value at the grant date, taking into consideration expected forfeitures, and expensed over the vesting period on a straight-line basis, except in the case of (a) equity-based awards that do not require future service, which are expensed immediately and (b) certain awards to recipients that meet specified criteria making them eligible for retirement treatment (allowing such recipient to keep a percentage of those awards upon departure from Blackstone after becoming eligible for retirement), for which the expense for the portion of the award that would be retained in the event of retirement is either expensed immediately or amortized to the retirement date. Cash settled equity-based awards are classified as liabilities and are remeasured at the end of each reporting period.

Compensation and Benefits — Performance Fee — Performance Fee Compensation consists of Carried Interest (which may be distributed in cash or in-kind) and Incentive Fee allocations, and may in future periods also include allocations of investment income from Blackstone's firm investments, to employees and senior managing directors participating in certain profit sharing initiatives. Such compensation expense is subject to both positive and negative adjustments. Unlike Carried Interest and Incentive Fees, compensation expense is based on the performance of individual investments held by a fund rather than on a fund by fund basis. Compensation received from advisory clients in the form of securities of such clients may also be allocated to employees and senior managing directors.

Fair Value of Financial Instruments

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

- **Level I** — Quoted prices are available in active markets for identical financial instruments as of the reporting date. The types of financial instruments in Level I include listed equities, listed derivatives and mutual funds with quoted prices. 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. Financial instruments which are generally included in this category include corporate bonds and loans, including corporate bonds and loans held within CLO vehicles, government and agency securities, less liquid and restricted equity securities, and certain over-the-counter derivatives where the fair value is based on observable inputs. Upon adoption of the new CLO measurement guidance adopted as of January 1, 2015, senior and subordinated notes issued by CLO vehicles are classified within Level II of the fair value hierarchy.
- Level III — Pricing inputs are unobservable for the financial instruments and includes situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are included in this category generally include general and limited partnership interests in private equity and real estate funds, credit-focused funds, distressed debt and non-investment grade residual interests in securitizations, certain corporate bonds and loans held within CLO vehicles, and certain over-the-counter derivatives where the fair value is based on unobservable inputs. For periods prior to the adoption of new CLO measurement guidance, senior and subordinate notes issued by CLO vehicles are classified within Level III of the fair value hierarchy.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument 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 financial instrument.

Transfers between levels of the fair value hierarchy are recognized at the beginning of the reporting period.

Level II Valuation Techniques

Financial instruments classified within Level II of the fair value hierarchy comprise debt instruments, including certain corporate loans and bonds held by Blackstone's consolidated CLO vehicles, those held within Blackstone's Treasury Cash Management Strategies and debt securities sold, not yet purchased and interests in investment funds. Certain equity securities and derivative instruments valued using observable inputs are also classified as Level II.

The valuation techniques used to value financial instruments classified within Level II of the fair value hierarchy are as follows:

- Debt Instruments and Equity Securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments. The valuation of certain equity securities is based on an observable price for an identical security adjusted for the effect of a restriction.
- Freestanding Derivatives are valued using contractual cash flows and observable inputs comprising yield curves, foreign currency rates and credit spreads.
- Upon adoption of the new CLO measurement guidance adopted January 1, 2015, senior and subordinate notes issued by CLO vehicles are classified based on the more observable fair value of CLO assets less (a) the fair value of any beneficial interests held by Blackstone, and (b) the carrying value of any beneficial interests that represent compensation for services.

Level III Valuation Techniques

In the absence of observable market prices, Blackstone values its investments using valuation methodologies 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 judgment, taking into consideration a combination of internal and external factors, including the appropriate risk adjustments for non-performance and liquidity risks. Investments for which market prices are not observable include private investments in the equity of operating companies, real estate properties, certain funds of hedge funds and credit-focused investments.

Private Equity Investments — The fair values of private equity investments are determined by reference to projected net earnings, earnings before interest, taxes, depreciation and amortization ("EBITDA"), the discounted cash flow method, public market or private transactions, valuations for comparable companies and other measures which, in many cases, are based on unaudited information at the time received. Valuations may be derived by reference to observable valuation measures for comparable companies or transactions (for example, multiplying a key performance metric of the investee company, such as EBITDA, by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods. Where a discounted cash flow method is used, a terminal value is derived by reference to EBITDA or price/earnings exit multiples.

Real Estate Investments — The fair values of real estate investments are determined by considering projected operating cash flows, sales of comparable assets, if any, and replacement costs among other measures. The methods used to estimate the fair value of real estate investments include the discounted cash flow method and/or capitalization rates ("cap rates") analysis. Valuations may be derived by reference to observable valuation measures for comparable companies or assets (for example, multiplying a key performance metric of the investee company or asset, such as EBITDA, by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods. Where a discounted cash flow method is used, a terminal value is derived by reference to an exit EBITDA multiple or capitalization rate. Additionally, where applicable, projected distributable cash flow through debt maturity will be considered in support of the investment's fair value.

Credit-Focused Investments — The fair values of credit-focused investments are generally determined on the basis of prices between market participants provided by reputable dealers or pricing services. In some instances, Blackstone may utilize other valuation techniques, including the discounted cash flow method or a market approach.

Credit-Focused Liabilities — Credit-focused liabilities comprise senior and subordinate loans issued by Blackstone's consolidated CLO vehicles. Such liabilities are valued using a discounted cash flow method. On the adoption of new accounting guidance as of January 1, 2015 and the application of a permitted measurement alternative, such liabilities are valued based on the more observable fair value of related assets held by CLO vehicles less (a) the fair value of any beneficial interests held by Blackstone and (b) the carrying value of any beneficial interest that represent compensation for services.

Level III Valuation Process

Investments classified within Level III of the fair value hierarchy are valued on a quarterly basis, taking into consideration any changes in Blackstone's weighted-average cost of capital assumptions, discounted cash flow projections and exit multiple assumptions, as well as any changes in economic and other relevant conditions, and valuation models are updated accordingly. The valuation process also includes a review by an independent valuation party, at least annually for all investments, and quarterly for certain investments, to corroborate the values determined by management. The valuations of Blackstone's investments are reviewed quarterly by a valuation

committee chaired by Blackstone's Vice Chairman and includes senior heads of each of Blackstone's businesses, as well as representatives of legal and finance. Each quarter, the valuations of Blackstone's investments are also reviewed by the Audit Committee in a meeting attended by the chairman of the valuation committee. The valuations are further tested by comparison to actual sales prices obtained on disposition of the investments.

Investments, at Fair Value

The Blackstone Funds are accounted for as investment companies under the American Institute of Certified Public Accountants Accounting and Auditing Guide, *Investment Companies*, and reflect their investments, including majority-owned and controlled investments (the "Portfolio Companies"), at fair value. Such consolidated funds' investments are reflected in Investments on the Consolidated 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 (Losses) from Fund Investment Activities in the Consolidated Statements of Operations. 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).

Blackstone's principal investments are presented at fair value with unrealized appreciation or depreciation and realized gains and losses recognized in the Consolidated Statements of Operations within Investment Income (Loss).

For certain instruments, the Partnership has elected the fair value option. Such election is irrevocable and is applied on an investment by investment basis at initial recognition. The Partnership has applied the fair value option for certain loans and receivables and certain investments in private debt securities that otherwise would not have been carried at fair value with gains and losses recorded in net income. Accounting for these financial instruments at fair value is consistent with how the Partnership accounts for its other principal investments. Loans extended to third parties are recorded within Accounts Receivable within the Consolidated Statements of Financial Condition. Debt securities for which the fair value option has been elected are recorded within Investments. The methodology for measuring the fair value of such investments is consistent with the methodology applied to private equity, real estate, credit-focused and funds of hedge funds investments. Changes in the fair value of such instruments are recognized in Investment Income (Loss) in the Consolidated Statements of Operations. Interest income on interest bearing loans and receivables and debt securities on which the fair value option has been elected is based on stated coupon rates adjusted for the accretion of purchase discounts and the amortization of purchase premiums. This interest income is recorded within Interest and Dividend Revenue.

In addition, the Partnership has elected the fair value option for the assets and liabilities of CLO vehicles that are consolidated as of January 1, 2010, as a result of the initial adoption of variable interest entity consolidation guidance. The Partnership has also elected the fair value option for CLO vehicles consolidated as a result of the acquisitions of CLO management contracts or the acquisition of the share capital of CLO managers. Historically, the adjustment resulting from the difference between the fair value of assets and liabilities for each of these events was presented as a transition and acquisition adjustment to Appropriated Partners' Capital. Assets of the consolidated CLOs are presented within Investments within the Consolidated Statements of Financial Condition and Liabilities within Loans Payable for the amounts due to unaffiliated third parties and Due to Affiliates for the amounts held by non-consolidated affiliates. Changes in the fair value of consolidated CLO assets and liabilities and related interest, dividend and other income subsequent to adoption and acquisition are presented within Net Gains (Losses) from Fund Investment Activities. Expenses of consolidated CLO vehicles are presented in Fund Expenses. Historically, amounts attributable to Non-Controlling Interests in Consolidated Entities had a corresponding adjustment to Appropriated Partners' Capital. On the adoption of the new CLO measurement guidance, there is no attribution of amounts to Non-Controlling Interests and no corresponding adjustments to Appropriated Partners' Capital.

The Partnership has elected the fair value option for certain proprietary investments that would otherwise have been accounted for using the equity method of accounting. The fair value of such investments is based on quoted prices in an active market or using the discounted cash flow method. Changes in fair value are recognized in Investment Income (Loss) in the Consolidated Statements of Operations.

Further disclosure on instruments for which the fair value option has been elected is presented in Note 7. “Fair Value Option” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing.

The investments of consolidated Blackstone Funds in funds of hedge funds (“Investee Funds”) are valued at net asset value (“NAV”) per share of the Investee Fund. In limited circumstances, the Partnership may determine, based on its own due diligence and investment procedures, that NAV per share does not represent fair value. In such circumstances, the Partnership will estimate the fair value in good faith and in a manner that it reasonably chooses, in accordance with the requirements of GAAP.

Certain investments of Blackstone and of the consolidated Blackstone funds of hedge funds and credit-focused funds measure their investments in underlying funds at fair value using NAV per share without adjustment. The terms of the investee’s investment generally provide for minimum holding periods or lock-ups, the institution of gates on redemptions or the suspension of redemptions or an ability to side pocket investments, at the discretion of the investee’s fund manager, and as a result, investments may not be redeemable at, or within three months of, the reporting date. A side pocket is used by hedge funds and funds of hedge funds to separate investments that may lack a readily ascertainable value, are illiquid or are subject to liquidity restriction. Redemptions are generally not permitted until the investments within a side pocket are liquidated or it is deemed that the conditions existing at the time that required the investment to be included in the side pocket no longer exist. As the timing of either of these events is uncertain, the timing at which the Partnership may redeem an investment held in a side pocket cannot be estimated. Further disclosure on instruments for which fair value is measured using NAV per share is presented in Note 5. “Net Asset Value as Fair Value” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing.

Intangibles and Goodwill

Blackstone’s intangible assets consist of contractual rights to earn future fee income, including management and advisory fees, Incentive Fees and Carried Interest. Identifiable finite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, ranging from 3 to 20 years, reflecting the contractual lives of such assets. Amortization expense is included within General, Administrative and Other in the Consolidated Statements of Operations. The Partnership does not hold any indefinite-lived intangible assets. Intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill comprises goodwill arising from the contribution and reorganization of the Partnership’s predecessor entities in 2007 immediately prior to its IPO, the acquisition of GSO in 2008 and the acquisition of Strategic Partners in 2013. Goodwill is reviewed for impairment at least annually utilizing a qualitative or quantitative approach, and more frequently if circumstances indicate impairment may have occurred. The impairment testing for goodwill under the qualitative approach is based first on a qualitative assessment to determine if it is more likely than not that the fair value of Blackstone’s operating segments is less than their respective carrying values. The operating segment is the reporting level for testing the impairment of goodwill. If it is determined that it is more likely than not that an operating segment’s fair value is less than its carrying value or when the quantitative approach is used, a two-step quantitative assessment is performed to (a) calculate the fair value of the operating segment and compare it to its carrying value, and (b) if the carrying value exceeds its fair value, to measure an impairment loss.

Management has organized the firm into four operating segments. All of the components in each segment have similar economic characteristics and management makes key operating decisions based on the performance of each segment. Therefore, we believe that operating segment is the appropriate reporting level for testing the impairment of goodwill.

The carrying value of goodwill was \$1.7 billion and \$1.8 billion as of December 31, 2015 and 2014, respectively. At December 31, 2015 and 2014, we determined there was no evidence of Goodwill impairment.

Off-Balance Sheet Arrangements

In the normal course of business, we enter into various off-balance sheet arrangements including sponsoring and owning limited or general partner interests in consolidated and non-consolidated funds, entering into derivative transactions, entering into operating leases, and entering into guarantee arrangements. We also have ongoing capital commitment arrangements with certain of our consolidated and non-consolidated drawdown funds. We do not have any off-balance sheet arrangements that would require us to fund losses or guarantee target returns to investors in our funds.

Further disclosure on our off-balance sheet arrangements is presented in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing as follows:

- Note 6. “Derivative Financial Instruments”,
- Note 9. “Variable Interest Entities”, and
- Note 18. “Commitments and Contingencies — Commitments, Operating Leases; — Commitments, Investment Commitments; and — Contingencies, Guarantees.”

Recent Accounting Developments

Information regarding recent accounting developments and their impact on Blackstone can be found in Note 2. “Summary of Significant Accounting Policies” in the “Notes to Consolidated Financial Statements” in “— Item 8. Financial Statements and Supplementary Data” of this filing.

Contractual Obligations, Commitments and Contingencies

The following table sets forth information relating to our contractual obligations as of December 31, 2015 on a consolidated basis and on a basis deconsolidating the Blackstone Funds:

<u>Contractual Obligations</u>	<u>2016</u>	<u>2017-2018</u>	<u>2019-2020</u>	<u>Thereafter</u>	<u>Total</u>
	(Dollars in Thousands)				
Operating Lease Obligations (a)	\$ 75,076	\$ 146,836	\$ 130,986	\$ 490,835	\$ 843,733
Purchase Obligations	23,748	20,574	4,333	4	48,659
Blackstone Issued Notes and Revolving Credit Facility (b)	—	—	585,000	2,227,990	2,812,990
Interest on Blackstone Issued Notes and Revolving Credit Facility (c)	147,458	288,032	249,276	1,412,674	2,097,440
Blackstone Funds and CLO Vehicles Debt Obligations Payable (d)	4,453	519,318	—	3,395,009	3,918,780
Interest on Blackstone Funds and CLO Vehicles Debt Obligations Payable (e)	75,651	137,702	131,874	470,539	815,766
Blackstone Funds Capital Commitments to Investee Funds (f)	48,633	—	—	—	48,633
Due to Certain Non-Controlling Interest Holders in Connection with Tax Receivable Agreements (g)	72,766	142,208	182,566	830,398	1,227,938
Unrecognized Tax Benefits, Including Interest and Penalties (h)	5,630	—	—	—	5,630
Blackstone Operating Entities Capital Commitments to Blackstone Funds and Other (i)	1,994,471	—	—	—	1,994,471
Consolidated Contractual Obligations	2,447,886	1,254,670	1,284,035	8,827,449	13,814,040
Blackstone Funds and CLO Vehicles Debt Obligations Payable (d)	(4,453)	(519,318)	—	(3,395,009)	(3,918,780)
Interest on Blackstone Funds and CLO Vehicles Debt Obligations Payable (e)	(75,651)	(137,702)	(131,874)	(470,539)	(815,766)
Blackstone Funds Capital Commitments to Investee Funds (f)	(48,633)	—	—	—	(48,633)
Blackstone Operating Entities Contractual Obligations	\$2,319,149	\$ 597,650	\$1,152,161	\$ 4,961,901	\$ 9,030,861

- (a) We lease our primary office space under agreements that expire through 2032. 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 Consolidated Statements of Financial Condition. The amounts are presented net of contractual sublease commitments.
- (b) Represents the principal amount due on the senior notes we issued. As of December 31, 2015, we had no outstanding borrowings under our revolver.
- (c) Represents interest to be paid over the maturity of our senior notes and borrowings under our revolving credit facility which has been calculated assuming no pre-payments are made and debt is held until its final maturity date. These amounts exclude commitment fees for unutilized borrowings under our revolver.
- (d) These obligations are those of the Blackstone Funds including the consolidated CLO vehicles.
- (e) Represents interest to be paid over the maturity of the related consolidated Blackstone Funds' and CLO vehicles' debt obligations which has been calculated assuming no pre-payments 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

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December 31, 2015, at spreads to market rates pursuant to the financing agreements, and range from 0.33% to 7.00%. The majority of the borrowings are due on demand and for purposes of this schedule are assumed to mature within one year. Interest on the majority of these borrowings rolls over into the principal balance at each reset date.

- (f) These obligations represent commitments of the consolidated Blackstone Funds to make capital contributions to investee funds and portfolio companies. These amounts are generally due on demand and are therefore presented in the less than one year category.
- (g) Represents obligations by the Partnership's corporate subsidiary to make payments under the Tax Receivable Agreements to certain non-controlling interest holders for the tax savings realized from the taxable purchases of their interests in connection with the reorganization at the time of Blackstone's initial public offering in 2007 and subsequent purchases. The obligation represents the amount of the payments currently expected to be made, which are dependent on the tax savings actually realized as determined annually without discounting for the timing of the payments. As required by GAAP, the amount of the obligation included in the Consolidated Financial Statements and shown in Note 17. "Related Party Transactions" (see "Item 8. Financial Statements and Supplementary Data") differs to reflect the net present value of the payments due to certain non-controlling interest holders.
- (h) The total represents gross unrecognized tax benefits of \$3.2 million and interest and penalties of \$2.4 million. In addition, Blackstone is not able to make a reasonably reliable estimate of the timing of payments in individual years in connection with gross unrecognized benefits of \$12.5 million and interest of \$5.0 million; therefore, such amounts are not included in the above contractual obligations table.
- (i) These obligations represent commitments by us to provide general partner capital funding to the Blackstone Funds, limited partner capital funding to other funds and Blackstone principal investment commitments. These amounts are generally due on demand and are therefore presented in the less than one year category; however, a substantial amount of the capital commitments are expected to be called 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.

In connection with the spin-off of our financial and strategic advisory services, restructuring and reorganization advisory service and Park Hill group businesses, certain of the Blackstone equity awards held by PJT Partners' personnel who remained employed with PJT Partners through the spin-off were converted into equity awards of PJT Partners. As described under "Certain Relationships and Related Party Transactions — Agreements with Blackstone Related to the Spin-Off — Employee Matters Agreement" in the Form 10 filed by PJT Partners Inc. on September 3, 2015, if in the first 180 calendar days following the spin-off the value of the PJT Partners' personnel's converted equity award is less than the value that the relinquished Blackstone award would have had over the same period, Blackstone will pay (in cash, Blackstone equity or PJT Partners equity, at Blackstone's discretion) certain "true-up" awards to PJT Partners' personnel. As an illustrative example, \$8.3 million would be payable by Blackstone pursuant to this "true-up" requirement if the "true-up" awards were calculated as of December 31, 2015.

Guarantees

Blackstone and certain of its consolidated funds provide financial guarantees. The amounts and nature of these guarantees are described in Note 18. "Commitments and Contingencies — Contingencies — Guarantees" in the "Notes to Consolidated Financial Statements" in "— Item 8. Financial Statements and Supplementary Data" of this filing.

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 Consolidated Financial Statements as of December 31, 2015.

Clawback Obligations

Carried Interest is subject to clawback to the extent that the Carried Interest received to date with respect to a fund exceeds the amount due to Blackstone based on cumulative results of that fund. The actual clawback liability, however, generally does not become realized until the end of a fund's life except for certain Blackstone real estate funds, multi-asset class investment funds and credit-focused funds, which may have an interim clawback liability. The lives of the carry funds, including available contemplated extensions, for which a liability for potential clawback obligations has been recorded for financial reporting purposes, are currently anticipated to expire at various points through 2028. Further extensions of such terms may be implemented under given circumstances.

For financial reporting purposes, the general partners have recorded a liability for potential clawback obligations to the limited partners of some of the carry funds due to changes in the unrealized value of a fund's remaining investments and where the fund's general partner has previously received Carried Interest distributions with respect to such fund's realized investments.

As of December 31, 2015, the total clawback obligations were \$3.4 million, of which \$1.7 million related to current and former Blackstone personnel and \$1.7 million related to Blackstone Holdings. If, at December 31, 2015, all of the investments held by our carry funds were deemed worthless, a possibility that management views as remote, the amount of carried interest subject to potential clawback would be \$4.4 billion, on an after tax basis where applicable, of which \$4.1 billion related to Blackstone Holdings and \$370.5 million related to current and former Blackstone personnel. (See Note 17. "Related Party Transactions" and Note 18. "Commitments and Contingencies" in the "Notes to Consolidated Financial Statements" in "— Item 8. Financial Statements and Supplementary Data" of this filing.)

ITEM 7A. QUANTITATIVE AND QUALITATIVE 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 investment income.

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 carry funds involves a detailed analysis of potential investments, and asset management teams are assigned to oversee the operations, strategic development, financing and capital deployment decisions of each portfolio investment. Key investment decisions are subject to approval by the applicable investment committee, which is comprised of Blackstone senior managing directors and senior management.
- In our capacity as adviser to certain funds in our Hedge Fund Solutions and Credit segments, 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 analyses 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.

Effect on Fund Management Fees

Our management fees are based on (a) third parties' capital commitments to a Blackstone Fund, (b) third parties' capital invested in a Blackstone Fund or (c) the net asset value, or NAV, of a Blackstone Fund, as described in our Consolidated Financial Statements. Management fees will only be directly affected by short-term changes in market conditions to the extent they are based on NAV or represent permanent impairments of value. These management fees will be increased (or reduced) in direct proportion to the effect of changes in the fair 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. For the years ended December 31, 2015 and December 31, 2014, the approximate percentages of our fund management fees based on the NAV of the applicable funds or separately managed accounts, were as follows:

	Year Ended December 31,	
	2015	2014
Fund Management Fees Based on the NAV of the Applicable Funds or Separately Managed Accounts	34%	36%

Market Risk

The Blackstone Funds hold investments which are reported at fair value. Based on the fair value as of December 31, 2015 and December 31, 2014, we estimate that a 10% decline in fair value of the investments would result in the following declines in Management Fees, Performance Fees, Net of Related Compensation Expense and Investment Income:

	December 31,					
	2015			2014		
	Management Fees (a)	Performance Fees, Net of Related Compensation Expense (b)	Investment Income (b)	Management Fees (a)	Performance Fees, Net of Related Compensation Expense (b)	Investment Income (b)
	(Dollars in Thousands)					
10% Decline in Fair Value of the Investments	\$ 85,463	\$ 1,296,886	\$ 250,246	\$ 86,002	\$ 1,725,051	\$ 268,053

- (a) Represents the annualized effect of the 10% decline.
(b) Represents the reporting date effect of the 10% decline.

Total Assets Under Management, excluding undrawn capital commitments and the amount of capital raised for our CLOs, by segment, and the percentage amount classified as Level III investments as defined within the fair value standards of GAAP, are as follows:

	December 31, 2015	
	Total Assets Under Management, Excluding Undrawn Capital Commitments and the Amount of Capital Raised for CLOs (Dollars in Thousands)	Percentage Amount Classified as Level III Investments
Private Equity	\$ 50,433,836	54%
Real Estate	\$ 66,146,413	82%
Credit	\$ 44,555,315	54%

The fair value of our investments and securities can vary significantly based on a number of factors that take into consideration the diversity of the Blackstone Funds' investment portfolio and on a number of factors and inputs such as similar transactions, financial metrics, and industry comparatives, among others. (See "Part I. Item 1A. Risk

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Factors” above. Also see “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations — Critical Accounting Policies — Investments, at Fair Value.”) We believe these fair value amounts should be utilized with caution as our intent and strategy is to hold investments and securities until prevailing market conditions are beneficial for investment sales.

Investors in all of our carry funds (and certain of our credit-focused funds and funds of hedge funds) make capital commitments to those funds that we are entitled to call from those investors at any time during prescribed periods. We depend on investors fulfilling their commitments when we call capital from them in order for those funds to consummate investments and otherwise pay their related obligations when due, including management fees. We have not had investors fail to honor capital calls to any meaningful extent and any investor that did not fund a capital call would be subject to having a significant amount of its existing investment forfeited in that fund; however, if investors were to fail to satisfy a significant amount of capital calls for any particular fund or funds, those funds could be materially and adversely affected.

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-U.S. dollar currencies. We estimate that as of December 31, 2015 and December 31, 2014, a 10% decline in the rate of exchange of all foreign currencies against the U.S. dollar would result in the following declines in Management Fees, Performance Fees, Net of Related Compensation Expense and Investment Income:

	December 31,					
	2015			2014		
	Management Fees (a)	Performance Fees, Net of Related Compensation Expense (b)	Investment Income (b)	Management Fees (a)	Performance Fees, Net of Related Compensation Expense (b)	Investment Income (b)
(Dollars in Thousands)						
10% Decline in the Rate of Exchange of All Foreign Currencies Against the U.S. Dollar	\$ 13,464	\$ 270,190	\$ 41,445	\$ 21,882	\$ 333,784	\$ 36,254

(a) Represents the annualized effect of the 10% decline.

(b) Represents the reporting date effect of the 10% decline.

Interest Rate Risk

Blackstone has debt obligations payable that accrue interest at variable rates. Interest rate changes may therefore affect the amount of our interest payments, future earnings and cash flows. Based on our debt obligations payable as of December 31, 2015 and December 31, 2014, we estimate that interest expense relating to variable rates would increase on an annual basis, in the event interest rates were to increase by one percentage point, as follows:

	December 31,	
	2015	2014
(Dollars in Thousands)		
Annualized Increase in Interest Expense Due to a One Percentage Point Increase in Interest Rates	\$ 45	\$ 69

Blackstone’s Treasury Cash Management Strategies consists of a diversified portfolio of liquid assets to meet the liquidity needs of various businesses (the “Treasury Liquidity Portfolio”). This portfolio includes cash, open-ended

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money market mutual funds, open-ended bond mutual funds, marketable investment securities, freestanding derivative contracts, repurchase and reverse repurchase agreements and other investments. If interest rates were to increase by one percentage point, we estimate that our annualized investment income would decrease, offset by an estimated increase in interest income on an annual basis from interest on floating rate assets, as follows:

	December 31,			
	2015	Annualized Increase in Interest Income from Floating Rate Assets	2014	Annualized Increase in Interest Income from Floating Rate Assets
Annualized Decrease in Investment Income			Annualized Decrease in Investment Income	
(Dollars in Thousands)				
One Percentage Point Increase in Interest Rates	\$ 140 (a)	\$ 20,486	\$ 17,868 (a)	\$ 15,201

(a) As of December 31, 2015 and 2014, this represents 0.0% and 0.6% of the Treasury Liquidity Portfolio, respectively.

Credit Risk

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

The Treasury Liquidity Portfolio contains certain credit risks including, but not limited to, exposure to uninsured deposits with financial institutions, unsecured corporate bonds and mortgage-backed securities. These exposures are actively monitored on a continuous basis and positions are reallocated based on changes in risk profile, market or economic conditions.

We estimate that our annualized investment income would decrease, if credit spreads were to increase by one percentage point, as follows:

	December 31,	
	2015	2014
(Dollars in Thousands)		
Decrease in Annualized Investment Income Due to a One Percentage Point Increase in Credit Spreads (a)	\$32,182	\$57,157

(a) As of December 31, 2015 and 2014, this represents 0.8% and 1.8% of the Treasury Liquidity Portfolio, respectively.

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.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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Report of Independent Registered Public Accounting Firm

To the General Partner and Unitholders of The Blackstone Group L.P.:

We have audited the accompanying consolidated statements of financial condition of The Blackstone Group L.P. and subsidiaries (“Blackstone”) as of December 31, 2015 and 2014, and the related consolidated statements of operations, comprehensive income, changes in partners’ capital, and cash flows for each of the three years in the period ended December 31, 2015. We also have audited Blackstone’s internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Blackstone’s management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on these financial statements and an opinion on Blackstone’s internal control over financial reporting based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company’s internal control over financial reporting is a process designed by, or under the supervision of, the company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the company’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Blackstone Group L.P. and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2015, in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, Blackstone maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

As discussed in Note 2 to the consolidated financial statements, Blackstone adopted the Financial Accounting Standards Board’s amended consolidation guidance as of January 1, 2015.

/s/ DELOITTE & TOUCHE LLP

New York, New York
February 26, 2016

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

	December 31, 2015	December 31, 2014
Assets		
Cash and Cash Equivalents	\$ 1,837,324	\$ 1,412,472
Cash Held by Blackstone Funds and Other	587,132	1,808,092
Investments (including assets pledged of \$64,535 and \$45,764 at December 31, 2015 and December 31, 2014 , respectively)	14,324,097	22,765,589
Accounts Receivable	613,153	559,321
Reverse Repurchase Agreements	204,893	—
Due from Affiliates	1,240,797	1,128,408
Intangible Assets, Net	345,547	458,833
Goodwill	1,718,519	1,787,392
Other Assets	377,189	324,760
Deferred Tax Assets	1,277,429	1,252,230
Total Assets	\$ 22,526,080	\$ 31,497,097
Liabilities and Partners' Capital		
Loans Payable	\$ 6,116,747	\$ 8,923,841
Due to Affiliates	1,282,700	1,490,088
Accrued Compensation and Benefits	2,029,918	2,439,257
Securities Sold, Not Yet Purchased	176,667	85,878
Repurchase Agreements	40,929	29,907
Accounts Payable, Accrued Expenses and Other Liabilities	648,662	1,194,579
Total Liabilities	10,295,623	14,163,550
Commitments and Contingencies		
Redeemable Non-Controlling Interests in Consolidated Entities	183,459	2,441,854
Partners' Capital		
The Blackstone Group L.P. Partners' Capital		
Partners' Capital (common units: 624,450,162 issued and outstanding as of December 31, 2015; 595,624,855 issued and outstanding as of December 31, 2014)	6,322,307	6,999,830
Appropriated Partners' Capital	—	81,301
Accumulated Other Comprehensive Income	(52,519)	(20,864)
Total The Blackstone Group L.P. Partners' Capital	6,269,788	7,060,267
Non-Controlling Interests in Consolidated Entities	2,408,701	3,415,356
Non-Controlling Interests in Blackstone Holdings	3,368,509	4,416,070
Total Partners' Capital	12,046,998	14,891,693
Total Liabilities and Partners' Capital	\$ 22,526,080	\$ 31,497,097

continued...

See notes to consolidated financial statements.

THE BLACKSTONE GROUP L.P.
Consolidated Statements of Financial Condition
(Dollars in Thousands)

The following presents the portion of the consolidated balances presented above attributable to consolidated Blackstone Funds which are variable interest entities. The following assets may only be used to settle obligations of these consolidated Blackstone Funds and these liabilities are only the obligations of these consolidated Blackstone Funds and they do not have recourse to the general credit of Blackstone.

	December 31, 2015	December 31, 2014
Assets		
Cash Held by Blackstone Funds and Other	\$ 435,775	\$ 1,325,094
Investments	4,558,216	7,759,322
Accounts Receivable	122,077	131,996
Due from Affiliates	25,561	65,124
Other Assets	12,693	48,441
Total Assets	<u>\$ 5,154,322</u>	<u>\$ 9,329,977</u>
Liabilities		
Loans Payable	\$ 3,319,656	\$ 6,787,100
Due to Affiliates	39,532	182,107
Accounts Payable, Accrued Expenses and Other	316,498	697,149
Total Liabilities	<u>\$ 3,675,686</u>	<u>\$ 7,666,356</u>

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2015	2014	2013
Revenues			
Management and Advisory Fees, Net	\$ 2,542,505	\$ 2,497,252	\$ 2,193,985
Performance Fees			
Realized			
Carried Interest	3,205,290	2,450,082	943,958
Incentive Fees	193,238	249,005	464,838
Unrealized			
Carried Interest	(1,595,174)	1,704,924	2,158,010
Incentive Fees	(6,688)	(29,749)	(22,749)
Total Performance Fees	1,796,666	4,374,262	3,544,057
Investment Income (Loss)			
Realized	555,171	523,735	188,644
Unrealized	(350,529)	10,265	611,664
Total Investment Income	204,642	534,000	800,308
Interest and Dividend Revenue	94,957	69,809	64,511
Other	7,782	9,405	10,307
Total Revenues	<u>4,646,552</u>	<u>7,484,728</u>	<u>6,613,168</u>
Expenses			
Compensation and Benefits			
Compensation	1,726,191	1,868,868	1,844,485
Performance Fee Compensation			
Realized			
Carried Interest	793,801	815,643	257,201
Incentive Fees	85,945	110,099	200,915
Unrealized			
Carried Interest	(312,696)	379,037	966,717
Incentive Fees	(2,490)	(19,276)	(11,651)
Total Compensation and Benefits	2,290,751	3,154,371	3,257,667
General, Administrative and Other	576,103	549,463	474,442
Interest Expense	144,522	121,524	107,973
Fund Expenses	79,499	30,498	26,658
Total Expenses	<u>3,090,875</u>	<u>3,855,856</u>	<u>3,866,740</u>
Other Income			
Reversal of Tax Receivable Agreement Liability	82,707	—	20,469
Net Gains from Fund Investment Activities	176,364	357,854	381,664
Total Other Income	<u>259,071</u>	<u>357,854</u>	<u>402,133</u>
Income Before Provision for Taxes	<u>1,814,748</u>	<u>3,986,726</u>	<u>3,148,561</u>
Provision for Taxes	<u>190,398</u>	<u>291,173</u>	<u>255,642</u>
Net Income	<u>1,624,350</u>	<u>3,695,553</u>	<u>2,892,919</u>
Net Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	11,145	74,794	183,315
Net Income Attributable to Non-Controlling Interests in Consolidated Entities	219,900	335,070	198,557
Net Income Attributable to Non-Controlling Interests in Blackstone Holdings	683,516	1,701,100	1,339,845
Net Income Attributable to The Blackstone Group L.P.	<u>\$ 709,789</u>	<u>\$ 1,584,589</u>	<u>\$ 1,171,202</u>
Net Income Per Common Unit			
Common Units, Basic	\$ 1.12	\$ 2.60	\$ 2.00
Common Units, Diluted	\$ 1.04	\$ 2.58	\$ 1.98
Weighted-Average Common Units Outstanding			
Common Units, Basic	634,337,179	608,803,111	587,018,828
Common Units, Diluted	<u>1,188,085,411</u>	<u>613,176,405</u>	<u>590,546,640</u>
Revenues Earned from Affiliates			
Management and Advisory Fees, Net	\$ 210,672	\$ 327,134	\$ 253,877

See notes to consolidated financial statements.

THE BLACKSTONE GROUP L.P.
Consolidated Statements of Comprehensive Income
(Dollars in Thousands)

	Year Ended December 31,		
	2015	2014	2013
Net Income	\$ 1,624,350	\$ 3,695,553	\$ 2,892,919
Other Comprehensive Income (Loss), Net of Tax — Currency Translation Adjustment	(49,238)	(57,924)	9,896
Comprehensive Income	1,575,112	3,637,629	2,902,815
Less:			
Comprehensive Income Attributable to Redeemable Non-Controlling Interests in Consolidated Entities	11,145	74,794	183,315
Comprehensive Income Attributable to Non-Controlling Interests in Consolidated Entities	202,318	301,477	207,157
Comprehensive Income Attributable to Non-Controlling Interests in Blackstone Holdings	683,516	1,701,100	1,339,845
Comprehensive Income Attributable to The Blackstone Group L.P.	<u>\$ 678,133</u>	<u>\$ 1,560,258</u>	<u>\$ 1,172,498</u>

See notes to consolidated financial statements.

THE BLACKSTONE GROUP L.P.
Consolidated Statement of Changes in Partners' Capital
(Dollars in Thousands, Except Unit Data)

	<u>The Blackstone Group L.P.</u>								
	Common Units	Partners' Capital	Appro- priated Partners' Capital	Accumulated Other Compre- hensive Income	Total	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Partners' Capital	Redeemable Non- Controlling Interests in Consolidated Entities
Balance at December 31, 2012	556,354,387	\$4,955,649	\$ 509,028	\$ 2,170	\$5,466,847	\$ 1,443,559	\$ 2,748,356	\$ 9,658,762	\$ 1,556,185
Consolidation of Fund Entity	—	—	—	—	—	659,001	—	659,001	—
Net Income	—	1,171,202	—	—	1,171,202	198,557	1,339,845	2,709,604	183,315
Allocation of Losses of Consolidated CLO Entities	—	—	(186,183)	—	(186,183)	186,183	—	—	—
Currency Translation Adjustment	—	—	—	1,296	1,296	8,600	—	9,896	—
Allocation of Currency Translation Adjustment of Consolidated CLO Entities	—	—	8,600	—	8,600	(8,600)	—	—	—
Capital Contributions	—	—	—	—	—	285,757	262	286,019	894,792
Capital Distributions	—	(679,082)	—	—	(679,082)	(306,605)	(790,397)	(1,776,084)	(555,943)
Transfer of Non-Controlling Interests in Consolidated Entities	—	—	—	—	—	(2,403)	—	(2,403)	—
Purchase of Interests from Certain Non-Controlling Interest Holders	—	(43)	—	—	(43)	—	—	(43)	—
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	80,580	—	—	80,580	—	—	80,580	—
Equity-Based Compensation	—	411,516	—	—	411,516	—	399,567	811,083	—
Relinquished with Deconsolidation and Liquidation of Partnership	—	—	(30,737)	—	(30,737)	(2)	—	(30,739)	(127,907)
Net Delivery of Vested Blackstone Holdings Partnership Units and Blackstone Common Units	6,464,259	(20,366)	—	—	(20,366)	—	(481)	(20,847)	—
Change in The Blackstone Group L.P.'s Ownership Interest	—	(2,519)	—	—	(2,519)	—	2,519	—	—
Conversion of Blackstone Holdings Partnership Units to Blackstone Common Units	8,232,434	43,255	—	—	43,255	—	(43,255)	—	—
Issuance of New Units	1,541,199	42,400	—	—	42,400	—	—	42,400	—
Balance at December 31, 2013	572,592,279	\$6,002,592	\$ 300,708	\$ 3,466	\$6,306,766	\$ 2,464,047	\$ 3,656,416	\$12,427,229	\$ 1,950,442

continued...

See notes to consolidated financial statements.

THE BLACKSTONE GROUP L.P.
Consolidated Statement of Changes in Partners' Capital
(Dollars in Thousands, Except Unit Data)

	The Blackstone Group L.P.								
	Common Units	Partners' Capital	Appro- priated Partners' Capital	Accumulated Other Compre- hensive Income (Loss)	Total	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Partners' Capital	Redeemable Non- Controlling Interests in Consolidated Entities
Balance at December 31, 2013	572,592,279	\$ 6,002,592	\$ 300,708	\$ 3,466	\$ 6,306,766	\$ 2,464,047	\$ 3,656,416	\$12,427,229	\$ 1,950,442
Acquisition Adjustments Relating to Consolidation of CLO Entities	—	—	8,398	—	8,398	—	—	8,398	—
Consolidation of Fund Entity	—	—	—	—	—	323,158	—	323,158	30,922
Net Income	—	1,584,589	—	—	1,584,589	335,070	1,701,100	3,620,759	74,794
Allocation of Losses of Consolidated CLO Entities	—	—	(111,723)	—	(111,723)	111,723	—	—	—
Currency Translation Adjustment	—	—	—	(24,330)	(24,330)	(33,594)	—	(57,924)	—
Allocation of Currency Translation Adjustment of Consolidated CLO Entities	—	—	(33,594)	—	(33,594)	33,594	—	—	—
Reclassification of Currency Translation Adjustment Due to Deconsolidation of CLO Entities	—	(611)	—	—	(611)	—	—	(611)	—
Capital Contributions	—	—	—	—	—	760,357	—	760,357	851,658
Capital Distributions	—	(1,148,139)	—	—	(1,148,139)	(577,032)	(1,200,457)	(2,925,628)	(465,962)
Transfer of Non-Controlling Interests in Consolidated Entities	—	—	—	—	—	(1,885)	—	(1,885)	—
Purchase of Interests from Certain Non-Controlling Interest Holders	—	(6)	—	—	(6)	—	—	(6)	—
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	22,982	—	—	22,982	—	—	22,982	—
Equity-Based Compensation	—	421,363	—	—	421,363	—	386,703	808,066	—
Relinquished with Deconsolidation and Liquidation of Partnership	—	—	(82,488)	—	(82,488)	(82)	—	(82,570)	—
Net Delivery of Vested Blackstone Holdings Partnership Units and Blackstone Common Units	6,407,733	(35,469)	—	—	(35,469)	—	(783)	(36,252)	—
Excess Tax Benefits Related to Equity-Based Compensation, Net	—	25,620	—	—	25,620	—	—	25,620	—
Change in The Blackstone Group L.P.'s Ownership Interest	—	9,032	—	—	9,032	—	(9,032)	—	—
Conversion of Blackstone Holdings Partnership Units to Blackstone Common Units	16,624,843	117,877	—	—	117,877	—	(117,877)	—	—
Balance at December 31, 2014	595,624,855	\$ 6,999,830	\$ 81,301	\$ (20,864)	\$ 7,060,267	\$ 3,415,356	\$ 4,416,070	\$14,891,693	\$ 2,441,854

THE BLACKSTONE GROUP L.P.
Consolidated Statement of Changes in Partners' Capital
(Dollars in Thousands, Except Unit Data)

	The Blackstone Group L.P.								
	Common Units	Partners' Capital	Appro- priated Partners' Capital	Accumulated Other Compre- hensive (Loss)	Total	Non- Controlling Interests in Consolidated Entities	Non- Controlling Interests in Blackstone Holdings	Total Partners' Capital	Redeemable Non- Controlling Interests in Consolidated Entities
Balance at December 31, 2014	<u>595,624,855</u>	<u>\$ 6,999,830</u>	<u>\$ 81,301</u>	<u>\$ (20,864)</u>	<u>\$ 7,060,267</u>	<u>\$ 3,415,356</u>	<u>\$ 4,416,070</u>	<u>\$14,891,693</u>	<u>\$ 2,441,854</u>
Deconsolidation of CLOs and Funds on Adoption of ASU 2015-02	—	—	(90,928)	—	(90,928)	(1,002,728)	—	(1,093,656)	(2,258,289)
Adjustment to Appropriated Partners' Capital on Adoption of ASU 2014-13	—	—	9,627	—	9,627	—	—	9,627	—
Net Income	—	709,789	—	—	709,789	219,900	683,516	1,613,205	11,145
Currency Translation Adjustment	—	—	—	(31,655)	(31,655)	(39,475)	—	(71,130)	—
Capital Contributions	—	—	—	—	—	491,456	—	491,456	2,357
Capital Distributions	—	(1,812,602)	—	—	(1,812,602)	(663,536)	(1,684,744)	(4,160,882)	(13,608)
Distributions Associated with the Spin-Off	—	(232,034)	—	—	(232,034)	—	(135,204)	(367,238)	—
Transfer of Non-Controlling Interests in Consolidated Entities	—	—	—	—	—	(12,272)	—	(12,272)	—
Deferred Tax Effects Resulting from Acquisition of Ownership Interests from Non-Controlling Interest Holders	—	65,027	—	—	65,027	—	—	65,027	—
Equity-Based Compensation	—	356,440	—	—	356,440	—	315,442	671,882	—
Net Delivery of Vested Blackstone Holdings Partnership Units and Blackstone Common Units	12,180,703	(59,128)	—	—	(59,128)	—	(1,903)	(61,031)	—
Excess Tax Benefits Related to Equity-Based Compensation, Net	—	70,317	—	—	70,317	—	—	70,317	—
Change in The Blackstone Group L.P.'s Ownership Interest	—	92,785	—	—	92,785	—	(92,785)	—	—
Conversion of Blackstone Holdings Partnership Units to Blackstone Common Units	<u>16,644,604</u>	<u>131,883</u>	<u>—</u>	<u>—</u>	<u>131,883</u>	<u>—</u>	<u>(131,883)</u>	<u>—</u>	<u>—</u>
Balance at December 31, 2015	<u><u>624,450,162</u></u>	<u><u>\$ 6,322,307</u></u>	<u><u>\$ —</u></u>	<u><u>\$ (52,519)</u></u>	<u><u>\$ 6,269,788</u></u>	<u><u>\$ 2,408,701</u></u>	<u><u>\$ 3,368,509</u></u>	<u><u>\$12,046,998</u></u>	<u><u>\$ 183,459</u></u>

See notes to consolidated financial statements.

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

	Year Ended December 31,		
	2015	2014	2013
Operating Activities			
Net Income	\$ 1,624,350	\$ 3,695,553	\$ 2,892,919
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
Blackstone Funds Related			
Unrealized (Appreciation) Depreciation on Investments Allocable to Non-Controlling Interests in Consolidated Entities	356,170	(430,738)	(1,069,479)
Net Realized Gains on Investments	(4,121,003)	(3,343,635)	(1,792,106)
Changes in Unrealized (Gains) Losses on Investments Allocable to The Blackstone Group L.P.	365,894	83,140	(506,546)
Non-Cash Performance Fees	1,391,946	(1,317,707)	(1,143,903)
Non-Cash Performance Fee Compensation	564,560	1,285,503	1,413,182
Equity-Based Compensation Expense	629,642	734,733	855,087
Excess Tax Benefits Related to Equity-Based Compensation	(70,318)	(25,646)	(5,769)
Amortization of Intangibles	101,437	101,915	95,671
Other Non-Cash Amounts Included in Net Income	144,657	121,808	206,451
Cash Flows Due to Changes in Operating Assets and Liabilities			
Cash Held by Blackstone Funds and Other	1,220,959	(390,092)	371,641
Cash Relinquished with Deconsolidation and Liquidation of Partnership	(442,370)	(476,533)	(173,726)
Accounts Receivable	(213,706)	229,331	(46,580)
Reverse Repurchase Agreements	(204,893)	148,984	99,034
Due from Affiliates	(97,487)	229,837	237,169
Other Assets	(149,732)	(82,890)	15,445
Accrued Compensation and Benefits	(917,428)	(836,852)	(454,724)
Securities Sold, Not Yet Purchased	96,780	(144,383)	(142,952)
Accounts Payable, Accrued Expenses and Other Liabilities	(474,652)	(305,978)	(316,082)
Repurchase Agreements	11,012	(325,199)	174,629
Due to Affiliates	(102,847)	35,504	(216,671)
Treasury Cash Management Strategies			
Investments Purchased	(3,907,391)	(3,448,738)	(4,368,096)
Cash Proceeds from Sale of Investments	3,909,637	3,022,390	4,643,886
Blackstone Funds Related			
Investments Purchased	(4,029,723)	(7,531,108)	(8,245,313)
Cash Proceeds from Sale or Pay Down of Investments	6,711,549	10,625,790	11,024,774
Net Cash Provided by Operating Activities	2,397,043	1,654,989	3,547,941
Investing Activities			
Purchase of Furniture, Equipment and Leasehold Improvements	(59,247)	(30,271)	(25,637)
Net Cash Paid for Acquisitions, Net of Cash Acquired	—	—	(146,117)
Changes in Restricted Cash	5,843	5,846	5,850
Net Cash Used in Investing Activities	(53,404)	(24,425)	(165,904)

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

	Year Ended December 31,		
	2015	2014	2013
Financing Activities			
Distributions to Non-Controlling Interest Holders in Consolidated Entities	\$ (677,110)	\$ (982,405)	\$ (844,011)
Contributions from Non-Controlling Interest Holders in Consolidated Entities	479,678	1,560,183	1,114,457
Purchase of Interests from Certain Non-Controlling Interest Holders	—	(6)	(43)
Cash Relinquished in Conjunction with the Spin-Off	(55,412)	—	—
Payments Under Tax Receivable Agreement	(84,484)	(86,733)	—
Net Delivery of Vested Common Units and Repurchase of Common and Holdings Units	(61,031)	(36,252)	(24,140)
Excess Tax Benefits Related to Equity-Based Compensation	70,318	25,646	5,769
Proceeds from Loans Payable	675,807	491,150	11,367
Repayment and Repurchase of Loans Payable	(923)	(8,735)	(16,777)
Distributions to Unitholders	(3,497,346)	(2,348,596)	(1,469,479)
Blackstone Funds Related			
Proceeds from Loans Payable	1,747,807	2,144,390	53,917
Repayment of Loans Payable	(516,706)	(1,808,549)	(2,090,674)
Net Cash Used in Financing Activities	(1,919,402)	(1,049,907)	(3,259,614)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	615	(183)	73
Net Increase in Cash and Cash Equivalents	424,852	580,474	122,496
Cash and Cash Equivalents, Beginning of Period	1,412,472	831,998	709,502
Cash and Cash Equivalents, End of Period	<u>\$ 1,837,324</u>	<u>\$ 1,412,472</u>	<u>\$ 831,998</u>
Supplemental Disclosure of Cash Flows Information			
Payments for Interest	<u>\$ 126,167</u>	<u>\$ 116,296</u>	<u>\$ 125,361</u>
Payments for Income Taxes	<u>\$ 115,814</u>	<u>\$ 236,718</u>	<u>\$ 69,858</u>
Supplemental Disclosure of Non-Cash Investing and Financing Activities			
Non-Cash Contributions from Non-Controlling Interest Holders	\$ 2,277	\$ 47,683	\$ 63,273
Non-Cash Distributions to Non-Controlling Interest Holders	\$ (34)	\$ (60,589)	\$ (18,537)
Net Assets Associated with the Spin-Off	\$ (311,826)	\$ —	\$ —
Net Activities Related to Capital Transactions of Consolidated Blackstone Funds	\$ (295)	\$ 16,181	\$ (6,029)
Net Assets Related to the Consolidation of CLO Vehicles	\$ —	\$ 8,398	\$ —
Net Assets Related to the Consolidation of Certain Fund Entities	\$ —	\$ 354,080	\$ 659,001
In-kind Contribution of Capital	\$ —	\$ —	\$ 2,323
Notes Issuance Costs	\$ 5,269	\$ 4,375	\$ —
Transfer of Interests to Non-Controlling Interest Holders	\$ (12,272)	\$ (1,885)	\$ (2,403)
Change in The Blackstone Group L.P.'s Ownership Interest	\$ 92,785	\$ 9,032	\$ (2,519)
Net Settlement of Vested Common Units	\$ 139,941	\$ 69,426	\$ 153,522
Conversion of Blackstone Holdings Units to Common Units	\$ 131,883	\$ 117,877	\$ 43,255
Acquisition of Ownership Interests from Non-Controlling Interest Holders Deferred Tax Asset	\$ (195,291)	\$ (105,686)	\$ (113,757)
Due to Affiliates	\$ 130,264	\$ 82,704	\$ 33,177
Partners' Capital	\$ 65,027	\$ 22,982	\$ 80,580
Issuance of New Units	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 42,400</u>

See notes to consolidated financial statements.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

1. ORGANIZATION

The Blackstone Group L.P., together with its subsidiaries (“Blackstone” or the “Partnership”), is a leading global manager of private capital. The alternative asset management business includes the management of private equity funds, real estate funds, real estate investment trusts (“REITs”), funds of hedge funds, hedge funds, credit-focused funds, collateralized loan obligation (“CLO”) vehicles, collateralized debt obligation (“CDO”) vehicles, separately managed accounts and registered investment companies (collectively referred to as the “Blackstone Funds”). Blackstone has also historically provided various financial advisory services, including financial and strategic advisory, restructuring and reorganization advisory and fund placement services. Blackstone’s business is organized into four segments: private equity, real estate, hedge fund solutions and credit.

On October 1, 2015, Blackstone completed the spin-off of the operations that historically constituted Blackstone’s Financial Advisory segment, other than Blackstone’s capital markets services business. Blackstone’s capital markets services business was retained and was not part of the spin-off. As of October 1, 2015, Blackstone no longer reported a Financial Advisory segment.

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 one of Blackstone’s founders, Stephen A. Schwarzman (the “Founder”), and Blackstone’s other senior managing directors. The activities of the Partnership are conducted through its holding partnerships: Blackstone Holdings I L.P., Blackstone Holdings AI L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. (collectively, “Blackstone Holdings”, “Blackstone Holdings Partnerships” or the “Holding Partnerships”). The Partnership, through its wholly owned subsidiaries, is the sole general partner in each of these Holding Partnerships.

On October 1, 2015, Blackstone formed a new holding partnership, Blackstone Holdings AI L.P., which holds certain operating entities and operates in a manner similar to the existing Blackstone Holdings Partnerships.

Generally, holders of the limited partner interests in the Holding Partnerships may, four times each year, exchange their limited partnership interests (“Partnership Units”) for Blackstone common units, on a one-to-one basis, exchanging one Partnership Unit from each of the Holding Partnerships for one Blackstone common unit.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements of the Partnership have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

The consolidated financial statements include the accounts of the Partnership, its wholly owned or majority-owned subsidiaries, the consolidated entities which are considered to be variable interest entities and for which the Partnership is considered the primary beneficiary, and certain partnerships or similar entities which are not considered variable interest entities but in which the general partner is presumed to have control.

All intercompany balances and transactions have been eliminated in consolidation.

Restructurings within consolidated CLOs are treated as investment purchases or sales, as applicable, in the Consolidated Statements of Cash Flows.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Use of Estimates

The preparation of the consolidated financial statements in accordance with GAAP requires management to make estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. Management believes that estimates utilized in the preparation of the consolidated financial statements are prudent and reasonable. Such estimates include those used in the valuation of investments and financial instruments and the accounting for Goodwill and equity-based compensation. Actual results could differ from those estimates and such differences could be material.

Consolidation

The Partnership consolidates all entities that it controls through a majority voting interest or otherwise, including those Blackstone Funds in which the general partner has a controlling financial interest. The Partnership has a controlling interest in Blackstone Holdings because the limited partners do not have the right to dissolve the partnerships 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 interests to reflect the economic interests of the limited partners of Blackstone Holdings.

In addition, the Partnership consolidates all variable interest entities (“VIE”) in which it is the primary beneficiary. An enterprise is determined to be the primary beneficiary if it holds a controlling financial interest. A controlling financial interest is defined as (a) the power to direct the activities of a VIE that most significantly impact the entity’s economic performance and (b) the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The consolidation guidance requires an analysis to determine (a) whether an entity in which the Partnership holds a variable interest is a VIE and (b) whether the Partnership’s involvement, through holding interests directly or indirectly in the entity or contractually through other variable interests (for example, management and performance related fees), would give it a controlling financial interest. Performance of that analysis requires the exercise of judgment.

The Partnership determines whether it is the primary beneficiary of a VIE at the time it becomes involved with a variable interest entity and reconsiders that conclusion continually. In evaluating whether the Partnership is the primary beneficiary, Blackstone evaluates its economic interests in the entity held either directly or indirectly by the Partnership. The consolidation analysis can generally be performed qualitatively; however, if it is not readily apparent that the Partnership is not the primary beneficiary, a quantitative analysis may also be performed. Investments and redemptions (either by the Partnership, affiliates of the Partnership or third parties) or amendments to the governing documents of the respective Blackstone Funds could affect an entity’s status as a VIE or the determination of the primary beneficiary. At each reporting date, the Partnership assesses whether it is the primary beneficiary and will consolidate or deconsolidate accordingly.

Assets of consolidated VIEs that can only be used to settle obligations of the consolidated VIE and liabilities of a consolidated VIE for which creditors (or beneficial interest holders) do not have recourse to the general credit of Blackstone are presented in a separate section in the Consolidated Statements of Financial Condition.

Blackstone’s other disclosures regarding VIEs are discussed in Note 9. “Variable Interest Entities”.

Revenue Recognition

Revenues primarily consist of management and advisory fees, performance fees, investment income, interest and dividend revenue and other.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Management and Advisory Fees, Net — Management and Advisory Fees, Net are comprised of management fees, including base management fees, transaction and other fees and advisory fees net of management fee reductions and offsets.

The Partnership earns base management fees from limited partners of funds in each of its managed funds, at a fixed percentage of assets under management, net asset value, total assets, committed capital or invested capital, or in some cases, a fixed fee. Base management fees are recognized based on contractual terms specified in the underlying investment advisory agreements.

Transaction and other fees (including monitoring fees) are fees charged directly to managed funds and portfolio companies. The investment advisory agreements generally require that the investment adviser reduce the amount of management fees payable by the limited partners to the Partnership (“management fee reductions”) by an amount equal to a portion of the transaction and other fees directly paid to the Partnership by the portfolio companies. The amount of the reduction varies by fund, the type of fee paid by the portfolio company and the previously incurred expenses of the fund.

Management fee offsets are reductions to management fees payable by the limited partners of the Blackstone Funds, which are granted based on the amount such limited partners reimburse the Blackstone Funds for placement fees.

Advisory fees consist of advisory retainer and transaction-based fee arrangements related to financial and strategic advisory services, restructuring and reorganization advisory services, capital markets services and fund placement services for alternative investment funds. Advisory retainer fees are recognized when services for the transactions are complete, in accordance with terms set forth in individual agreements. Transaction-based fees are recognized when (a) there is evidence of an arrangement with a client, (b) agreed upon services have been provided, (c) fees are fixed or determinable, and (d) collection is reasonably assured. Fund placement fees are recognized as earned upon the acceptance by a fund of capital or capital commitments.

Accrued but unpaid Management and Advisory Fees, net of management fee reductions and management fee offsets, as of the reporting date are included in Accounts Receivable or Due from Affiliates in the Consolidated Statements of Financial Condition. Management fees paid by limited partners to the Blackstone Funds and passed on to Blackstone are not considered affiliate revenues.

Performance Fees — Performance Fees earned on the performance of Blackstone’s hedge fund structures (“Incentive Fees”) are recognized based on fund performance during the period, subject to the achievement of minimum return levels, or high water marks, in accordance with the respective terms set out in each hedge fund’s governing agreements. Accrued but unpaid Incentive Fees charged directly to investors in Blackstone’s offshore hedge funds as of the reporting date are recorded within Due from Affiliates in the Consolidated Statements of Financial Condition. Accrued but unpaid Incentive Fees on onshore funds as of the reporting date are reflected in Investments in the Consolidated Statements of Financial Condition. Incentive Fees are realized at the end of a measurement period, typically annually. Once realized, such fees are not subject to clawback or reversal.

In certain fund structures, specifically in private equity, real estate and certain hedge fund solutions and credit-focused funds (“Carry Funds”), performance fees (“Carried Interest”) are allocated to the general partner based on cumulative fund performance to date, subject to a preferred return to limited partners. At the end of each reporting period, the Partnership calculates the Carried Interest that would be due to the Partnership for each fund, pursuant to the fund agreements, as if the fair value of the underlying investments were realized as of such date, irrespective of

THE BLACKSTONE GROUP L.P.**Notes to Consolidated Financial Statements—Continued****(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)**

whether such amounts have been realized. As the fair value of underlying investments varies between reporting periods, it is necessary to make adjustments to amounts recorded as Carried Interest to reflect either (a) positive performance resulting in an increase in the Carried Interest allocated to the general partner or (b) negative performance that would cause the amount due to the Partnership to be less than the amount previously recognized as revenue, resulting in a negative adjustment to Carried Interest allocated to the general partner. In each scenario, it is necessary to calculate the Carried Interest on cumulative results compared to the Carried Interest recorded to date and make the required positive or negative adjustments. The Partnership ceases to record negative Carried Interest allocations once previously recognized Carried Interest allocations for such fund have been fully reversed. The Partnership is not obligated to pay guaranteed returns or hurdles, and therefore, cannot have negative Carried Interest over the life of a fund. Accrued but unpaid Carried Interest as of the reporting date is reflected in Investments in the Consolidated Statements of Financial Condition.

Carried Interest is realized when an underlying investment is profitably disposed of and the fund's cumulative returns are in excess of the preferred return or, in limited instances, after certain thresholds for return of capital are met. Carried Interest is subject to clawback to the extent that the Carried Interest received to date exceeds the amount due to Blackstone based on cumulative results. As such, the accrual for potential repayment of previously received Carried Interest, which is a component of Due to Affiliates, represents all amounts previously distributed to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone Funds if the Blackstone Carry Funds were to be liquidated based on the current fair value of the underlying funds' investments as of the reporting date. The actual clawback liability, however, generally does not become realized until the end of a fund's life except for certain funds, including certain Blackstone real estate funds, multi-asset class investment funds and credit-focused funds, which may have an interim clawback liability.

Investment Income (Loss) — Investment Income (Loss) represents the unrealized and realized gains and losses on the Partnership's principal investments, including its investments in Blackstone Funds that are not consolidated, its equity method investments, and other principal investments. Investment Income (Loss) is realized when the Partnership redeems all or a portion of its investment or when the Partnership receives cash income, such as dividends or distributions. Unrealized Investment Income (Loss) results from changes in the fair value of the underlying investment as well as the reversal of unrealized gain (loss) at the time an investment is realized.

Interest and Dividend Revenue — Interest and Dividend Revenue comprises primarily interest and dividend income earned on principal investments held by Blackstone.

Other Revenue — Other Revenue consists of miscellaneous income and foreign exchange gains and losses arising on transactions denominated in currencies other than U.S. dollars.

Fair Value of Financial Instruments

GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of market price observability used in measuring financial instruments at fair value. Market price observability is affected by a number of factors, including the type of financial instrument, the characteristics specific to the financial instrument and the state of the marketplace, including the existence and transparency of transactions between market participants. Financial instruments with readily available quoted prices in active markets generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Financial instruments measured and reported at fair value are classified and disclosed based on the observability of inputs used in the determination of fair values, as follows:

- Level I — Quoted prices are available in active markets for identical financial instruments as of the reporting date. The types of financial instruments in Level I include listed equities, listed derivatives and

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mutual funds with quoted prices. 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. Financial instruments which are generally included in this category include corporate bonds and loans, including corporate bonds and loans held within CLO vehicles, government and agency securities, less liquid and restricted equity securities, and certain over-the-counter derivatives where the fair value is based on observable inputs. Upon adoption of the new CLO measurement guidance adopted as of January 1, 2015, senior and subordinated notes issued by CLO vehicles are classified within Level II of the fair value hierarchy.
- Level III — Pricing inputs are unobservable for the financial instruments and includes situations where there is little, if any, market activity for the financial instrument. The inputs into the determination of fair value require significant management judgment or estimation. Financial instruments that are included in this category generally include general and limited partnership interests in private equity and real estate funds, credit-focused funds, distressed debt and non-investment grade residual interests in securitizations, certain corporate bonds and loans held within CLO vehicles, and certain over-the-counter derivatives where the fair value is based on unobservable inputs. For periods prior to the adoption of new CLO measurement guidance, senior and subordinate notes issued by CLO vehicles are classified within Level III of the fair value hierarchy.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given financial instrument 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 financial instrument.

Transfers between levels of the fair value hierarchy are recognized at the beginning of the reporting period.

Level II Valuation Techniques

Financial instruments classified within Level II of the fair value hierarchy comprise debt instruments, including certain corporate loans and bonds held by Blackstone's consolidated CLO vehicles, those held within Blackstone's Treasury Cash Management Strategies and debt securities sold, not yet purchased and interests in investment funds. Certain equity securities and derivative instruments valued using observable inputs are also classified as Level II.

The valuation techniques used to value financial instruments classified within Level II of the fair value hierarchy are as follows:

- Debt Instruments and Equity Securities are valued on the basis of prices from an orderly transaction between market participants provided by reputable dealers or pricing services. In determining the value of a particular investment, pricing services may use certain information with respect to transactions in such investments, quotations from dealers, pricing matrices and market transactions in comparable investments and various relationships between investments. The valuation of certain equity securities is based on an observable price for an identical security adjusted for the effect of a restriction.
- Freestanding Derivatives are valued using contractual cash flows and observable inputs comprising yield curves, foreign currency rates and credit spreads.

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- Upon adoption of the new CLO measurement guidance adopted January 1, 2015, senior and subordinate notes issued by CLO vehicles are classified based on the more observable fair value of CLO assets less (a) the fair value of any beneficial interests held by Blackstone, and (b) the carrying value of any beneficial interests that represent compensation for services.

Level III Valuation Techniques

In the absence of observable market prices, Blackstone values its investments using valuation methodologies 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 judgment, taking into consideration a combination of internal and external factors, including the appropriate risk adjustments for non-performance and liquidity risks. Investments for which market prices are not observable include private investments in the equity of operating companies, real estate properties, certain funds of hedge funds and credit-focused investments.

Private Equity Investments — The fair values of private equity investments are determined by reference to projected net earnings, earnings before interest, taxes, depreciation and amortization ("EBITDA"), the discounted cash flow method, public market or private transactions, valuations for comparable companies and other measures which, in many cases, are based on unaudited information at the time received. Valuations may be derived by reference to observable valuation measures for comparable companies or transactions (for example, multiplying a key performance metric of the investee company such as EBITDA by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods. Where a discounted cash flow method is used, a terminal value is derived by reference to EBITDA or price/earnings exit multiples.

Real Estate Investments — The fair values of real estate investments are determined by considering projected operating cash flows, sales of comparable assets, if any, and replacement costs among other measures. The methods used to estimate the fair value of real estate investments include the discounted cash flow method and/or capitalization rates ("cap rates") analysis. Valuations may be derived by reference to observable valuation measures for comparable companies or assets (for example, multiplying a key performance metric of the investee company or asset, such as EBITDA, by a relevant valuation multiple observed in the range of comparable companies or transactions), adjusted by management for differences between the investment and the referenced comparables, and in some instances by reference to option pricing models or other similar methods. Where a discounted cash flow method is used, a terminal value is derived by reference to an exit EBITDA multiple or capitalization rate. Additionally, where applicable, projected distributable cash flow through debt maturity will be considered in support of the investment's fair value.

Credit-Focused Investments — The fair values of credit-focused investments are generally determined on the basis of prices between market participants provided by reputable dealers or pricing services. In some instances, Blackstone may utilize other valuation techniques, including the discounted cash flow method or a market approach.

Credit-Focused Liabilities — Credit-focused liabilities comprise senior and subordinate loans issued by Blackstone's consolidated CLO vehicles. Such liabilities are valued using a discounted cash flow method. On the adoption of new accounting guidance as of January 1, 2015 and the application of a permitted measurement alternative, such liabilities are valued based on the more observable fair value of related assets held by CLO vehicles less (a) the fair value of any beneficial interests held by Blackstone and (b) the carrying value of any beneficial interest that represents compensation for services.

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Level III Valuation Process

Investments classified within Level III of the fair value hierarchy are valued on a quarterly basis, taking into consideration any changes in Blackstone's weighted-average cost of capital assumptions, discounted cash flow projections and exit multiple assumptions, as well as any changes in economic and other relevant conditions, and valuation models are updated accordingly. The valuation process also includes a review by an independent valuation party, at least annually for all investments, and quarterly for certain investments, to corroborate the values determined by management. The valuations of Blackstone's investments are reviewed quarterly by a valuation committee chaired by Blackstone's Vice Chairman and includes senior heads of each of Blackstone's businesses, as well as representatives of legal and finance. Each quarter, the valuations of Blackstone's investments are also reviewed by the Audit Committee in a meeting attended by the chairman of the valuation committee. The valuations are further tested by comparison to actual sales prices obtained on disposition of the investments.

Investments, at Fair Value

The Blackstone Funds are accounted for as investment companies under the American Institute of Certified Public Accountants Accounting and Auditing Guide, *Investment Companies*, and reflect their investments, including majority-owned and controlled investments (the "Portfolio Companies"), at fair value. Such consolidated funds' investments are reflected in Investments on the Consolidated 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 (Losses) from Fund Investment Activities in the Consolidated Statements of Operations. 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).

Blackstone's principal investments are presented at fair value with unrealized appreciation or depreciation and realized gains and losses recognized in the Consolidated Statements of Operations within Investment Income (Loss).

For certain instruments, the Partnership has elected the fair value option. Such election is irrevocable and is applied on an investment by investment basis at initial recognition. The Partnership has applied the fair value option for certain loans and receivables and certain investments in private debt securities that otherwise would not have been carried at fair value with gains and losses recorded in net income. Accounting for these financial instruments at fair value is consistent with how the Partnership accounts for its other principal investments. Loans extended to third parties are recorded within Accounts Receivable within the Consolidated Statements of Financial Condition. Debt securities for which the fair value option has been elected are recorded within Investments. The methodology for measuring the fair value of such investments is consistent with the methodology applied to private equity, real estate, credit-focused and funds of hedge funds investments. Changes in the fair value of such instruments are recognized in Investment Income (Loss) in the Consolidated Statements of Operations. Interest income on interest bearing loans and receivables and debt securities on which the fair value option has been elected is based on stated coupon rates adjusted for the accretion of purchase discounts and the amortization of purchase premiums. This interest income is recorded within Interest and Dividend Revenue.

In addition, the Partnership has elected the fair value option for the assets and liabilities of CLO vehicles that are consolidated as of January 1, 2010, as a result of the initial adoption of variable interest entity consolidation guidance. The Partnership has also elected the fair value option for CLO vehicles consolidated as a result of the acquisitions of CLO management contracts or the acquisition of the share capital of CLO managers. Historically, the adjustment resulting from the difference between the fair value of assets and liabilities for each of these events was presented as a transition and acquisition adjustment to Appropriated Partners' Capital. Assets of the consolidated CLOs are presented within Investments within the Consolidated Statements of Financial Condition and Liabilities

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within Loans Payable for the amounts due to unaffiliated third parties and Due to Affiliates for the amounts held by non-consolidated affiliates. Changes in the fair value of consolidated CLO assets and liabilities and related interest, dividend and other income subsequent to adoption and acquisition are presented within Net Gains (Losses) from Fund Investment Activities. Expenses of consolidated CLO vehicles are presented in Fund Expenses. Historically, amounts attributable to Non-Controlling Interests in Consolidated Entities had a corresponding adjustment to Appropriated Partners' Capital. On the adoption of the new CLO measurement guidance, there is no attribution of amounts to Non-Controlling Interests and no corresponding adjustments to Appropriated Partners' Capital.

The Partnership has elected the fair value option for certain proprietary investments that would otherwise have been accounted for using the equity method of accounting. The fair value of such investments is based on quoted prices in an active market or using the discounted cash flow method. Changes in fair value are recognized in Investment Income (Loss) in the Consolidated Statements of Operations.

Further disclosure on instruments for which the fair value option has been elected is presented in Note 7. "Fair Value Option" to the Consolidated Financial Statements.

The investments of consolidated Blackstone Funds in funds of hedge funds ("Investee Funds") are valued at net asset value ("NAV") per share of the Investee Fund. In limited circumstances, the Partnership may determine, based on its own due diligence and investment procedures, that NAV per share does not represent fair value. In such circumstances, the Partnership will estimate the fair value in good faith and in a manner that it reasonably chooses, in accordance with the requirements of GAAP.

Certain investments of Blackstone and of the consolidated Blackstone funds of hedge funds and credit-focused funds measure their investments in underlying funds at fair value using NAV per share without adjustment. The terms of the investee's investment generally provide for minimum holding periods or lock-ups, the institution of gates on redemptions or the suspension of redemptions or an ability to side pocket investments, at the discretion of the investee's fund manager, and as a result, investments may not be redeemable at, or within three months of, the reporting date. A side pocket is used by hedge funds and funds of hedge funds to separate investments that may lack a readily ascertainable value, are illiquid or are subject to liquidity restriction. Redemptions are generally not permitted until the investments within a side pocket are liquidated or it is deemed that the conditions existing at the time that required the investment to be included in the side pocket no longer exist. As the timing of either of these events is uncertain, the timing at which the Partnership may redeem an investment held in a side pocket cannot be estimated. Further disclosure on instruments for which fair value is measured using NAV per share is presented in Note 5. "Net Asset Value as Fair Value".

Security and loan transactions are recorded on a trade date basis.

Equity Method Investments

Investments in which the Partnership is deemed to exert significant influence, but not control, are accounted for using the equity method of accounting. Under the equity method of accounting, the Partnership's share of earnings (losses) from equity method investments is included in Investment Income (Loss) in the Consolidated Statements of Operations. The carrying amounts of equity method investments are reflected in Investments in the Consolidated Statements of Financial Condition. As the underlying investments of the Partnership's equity method investments in Blackstone Funds are reported at fair value, the carrying value of the Partnership's equity method investments approximates fair value.

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Cash and Cash Equivalents

Cash and Cash Equivalents represents cash on hand, cash held in banks, money market funds and liquid investments with original maturities of three months or less. Interest income from cash and cash equivalents is recorded in Interest and Dividend Revenue in the Consolidated Statements of Operations.

Cash Held by Blackstone Funds and Other

Cash Held by Blackstone Funds and Other represents cash and cash equivalents held by consolidated Blackstone Funds and other consolidated entities. Such amounts are not available to fund the general liquidity needs of Blackstone.

Accounts Receivable

Accounts Receivable includes management fees receivable from limited partners, receivables from underlying funds in the fund of hedge funds business, placement and advisory fees receivables, receivables relating to unsettled sale transactions and loans extended to unaffiliated third parties. Accounts Receivable, excluding those for which the fair value option has been elected, are assessed periodically for collectibility. Amounts determined to be uncollectible are charged directly to General, Administrative and Other Expenses in the Consolidated Statements of Operations.

Intangibles and Goodwill

Blackstone's intangible assets consist of contractual rights to earn future fee income, including management and advisory fees, Incentive Fees and Carried Interest. Identifiable finite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives, ranging from 3 to 20 years, reflecting the contractual lives of such assets. Amortization expense is included within General, Administrative and Other in the Consolidated Statements of Operations. The Partnership does not hold any indefinite-lived intangible assets. Intangible assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill comprises goodwill arising from the contribution and reorganization of the Partnership's predecessor entities in 2007 immediately prior to its IPO, the acquisition of GSO in 2008 and the acquisition of Strategic Partners in 2013. Goodwill is reviewed for impairment at least annually utilizing a qualitative or quantitative approach, and more frequently if circumstances indicate impairment may have occurred. The impairment testing for goodwill under the qualitative approach is based first on a qualitative assessment to determine if it is more likely than not that the fair value of Blackstone's operating segments is less than their respective carrying values. The operating segment is the reporting level for testing the impairment of goodwill. If it is determined that it is more likely than not that an operating segment's fair value is less than its carrying value or when the quantitative approach is used, a two-step quantitative assessment is performed to (a) calculate the fair value of the operating segment and compare it to its carrying value, and (b) if the carrying value exceeds its fair value, to measure an impairment loss.

Furniture, Equipment and Leasehold Improvements

Furniture, equipment and leasehold improvements consist primarily of leasehold improvements, furniture, fixtures and equipment, computer hardware and software and are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the assets' estimated

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useful economic lives, which for leasehold improvements are the lesser of the lease terms or the life of the asset, generally ten to fifteen years, and three to seven years for other fixed assets. The Partnership evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Foreign Currency

In the normal course of business, the Partnership may enter into transactions not denominated in United States dollars. Foreign exchange gains and losses arising on such transactions are recorded as Other Revenue in the Consolidated Statements of Operations. Foreign currency transaction gains and losses arising within consolidated Blackstone Funds are recorded in Net Gains (Losses) from Fund Investment Activities. In addition, the Partnership consolidates a number of entities that have a non-U.S. dollar functional currency. Non-U.S. dollar denominated assets and liabilities are translated to U.S. dollars at the exchange rate prevailing at the reporting date and income, expenses, gains and losses are translated at the prevailing exchange rate on the dates that they were recorded. Cumulative translation adjustments arising from the translation of non-U.S. dollar denominated operations are recorded in Other Comprehensive Income and allocated to Non-Controlling Interests in Consolidated Entities, as applicable.

Comprehensive Income

Comprehensive Income consists of Net Income and Other Comprehensive Income. The Partnership's Other Comprehensive Income is comprised of foreign currency cumulative translation adjustments.

Non-Controlling Interests in Consolidated Entities

Non-Controlling Interests in Consolidated Entities represent the component of Partners' Capital in consolidated Blackstone Funds held by third party investors and employees. The percentage interests held by third parties and employees is adjusted for general partner allocations and by subscriptions and redemptions in funds of hedge funds and certain credit-focused funds which occur during the reporting period. In addition, all non-controlling interests in consolidated Blackstone Funds are attributed a share of income (loss) arising from the respective funds and a share of other comprehensive income, if applicable. Income (Loss) is allocated to non-controlling interests in consolidated entities based on the relative ownership interests of third party investors and employees after considering any contractual arrangements that govern the allocation of income (loss) such as fees allocable to The Blackstone Group L.P.

Redeemable Non-Controlling Interests in Consolidated Entities

Non-controlling interests related to funds of hedge funds and certain other credit-focused funds are subject to annual, semi-annual or quarterly redemption by investors in these funds following the expiration of a specified period of time, or may be withdrawn subject to a redemption fee in the funds of hedge funds and certain credit-focused funds during the period when capital may not be withdrawn. As limited partners in these types of funds have been granted redemption rights, amounts relating to third party interests in such consolidated funds are presented as Redeemable Non-Controlling Interests in Consolidated Entities within the Consolidated Statements of Financial Condition. When redeemable amounts become legally payable to investors, they are classified as a liability and included in Accounts Payable, Accrued Expenses and Other Liabilities in the Consolidated Statements of Financial Condition. For all consolidated funds in which redemption rights have not been granted, non-controlling interests are presented within Partners' Capital in the Consolidated Statements of Financial Condition as Non-Controlling Interests in Consolidated Entities.

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Non-Controlling Interests in Blackstone Holdings

Non-Controlling Interests in Blackstone Holdings represent the component of Partners' Capital in the consolidated Blackstone Holdings Partnerships held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Certain costs and expenses are borne directly by the Holdings Partnerships. Income (Loss), excluding those costs directly borne by and attributable to the Holdings Partnerships, is attributable to Non-Controlling Interests in Blackstone Holdings. This residual attribution is based on the year to date average percentage of Blackstone Holdings Partnership Units held by Blackstone personnel and others who are limited partners of the Blackstone Holdings Partnerships.

Compensation and Benefits

Compensation and Benefits — Compensation — Compensation and Benefits consists of (a) employee compensation, comprising salary and bonus, and benefits paid and payable to employees and senior managing directors and (b) equity-based compensation associated with the grants of equity-based awards to employees and senior managing directors. Compensation cost relating to the issuance of equity-based awards to senior managing directors and employees is measured at fair value at the grant date, taking into consideration expected forfeitures, and expensed over the vesting period on a straight-line basis, except in the case of (a) equity-based awards that do not require future service, which are expensed immediately and (b) certain awards to recipients that meet specified criteria making them eligible for retirement treatment (allowing such recipient to keep a percentage of those awards upon departure from Blackstone after becoming eligible for retirement), for which the expense for the portion of the award that would be retained in the event of retirement is either expensed immediately or amortized to the retirement date. Cash settled equity-based awards are classified as liabilities and are remeasured at the end of each reporting period.

Compensation and Benefits — Performance Fee — Performance Fee Compensation consists of Carried Interest (which may be distributed in cash or in-kind) and Incentive Fee allocations, and may in future periods also include allocations of investment income from Blackstone's firm investments, to employees and senior managing directors participating in certain profit sharing initiatives. Such compensation expense is subject to both positive and negative adjustments. Unlike Carried Interest and Incentive Fees, compensation expense is based on the performance of individual investments held by a fund rather than on a fund by fund basis. Compensation received from advisory clients in the form of securities of such clients may also be allocated to employees and senior managing directors.

Other Income

Net Gains (Losses) from Fund Investment Activities in the Consolidated Statements of Operations include net realized gains (losses) from realizations and sales of investments, the net change in unrealized gains (losses) resulting from changes in the fair value of investments and interest income and expense and dividends attributable to the consolidated Blackstone Funds' investments.

Expenses incurred by consolidated Blackstone funds are separately presented within Fund Expenses in the Consolidated Statements of Operations.

Other Income also includes amounts attributable to the Reversal of the Tax Receivable Agreement Liability. See Note 14. "Income Taxes — Other Income — Reversal of the Tax Receivable Agreement Liability" for additional information.

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Income Taxes

The Blackstone Holdings Partnerships and certain of their subsidiaries 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 are subject to New York City unincorporated business taxes or non-U.S. income taxes. In addition, certain of the wholly owned subsidiaries of the Partnership and the Blackstone Holdings Partnerships will be subject to federal, state and local corporate income taxes at the entity level and the related tax provision attributable to the Partnership's share of this income tax is reflected in the Consolidated Financial Statements.

Income taxes are accounted for using the asset and liability method of accounting. Under this method, deferred tax assets and liabilities are recognized for the expected future tax consequences of differences between the carrying amounts of assets and liabilities and their respective tax basis, using tax rates in effect for the year in which the differences are expected to reverse. The effect on deferred assets and liabilities of a change in tax rates is recognized in income in the period when the change is enacted. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion or all of the deferred tax assets will not be realized. Current and deferred tax liabilities are recorded within Accounts Payable, Accrued Expenses and Other Liabilities in the Consolidated Statements of Financial Condition.

Blackstone uses the flow-through method to account for investment tax credits. Under this method, the investment tax credits are recognized as a reduction to income tax expense.

Blackstone analyzes its tax filing positions in all of the U.S. federal, state, local and foreign tax jurisdictions where it is required to file income tax returns, as well as for all open tax years in these jurisdictions. Blackstone records uncertain tax positions on the basis of a two-step process: (a) determination is made whether it is more likely than not that the tax positions will be sustained based on the technical merits of the position and (b) those tax positions that meet the more-likely-than-not threshold are recognized as the largest amount of tax benefit that is greater than 50 percent likely to be realized upon ultimate settlement with the related tax authority. Blackstone recognizes accrued interest and penalties related to uncertain tax positions in General, Administrative, and Other expenses within the Consolidated Statements of Operations.

Net Income (Loss) Per Common Unit

Basic Income (Loss) Per Common Unit is calculated by dividing Net Income (Loss) Attributable to The Blackstone Group L.P. by the weighted-average number of common units and unvested participating common units outstanding for the period. Diluted Income (Loss) Per Common Unit reflects the assumed conversion of all dilutive securities. Diluted Income (Loss) Per Common Unit excludes the anti-dilutive effect of Blackstone Holdings Partnership Units and deferred restricted common units, as applicable.

Repurchase and Reverse Repurchase Agreements

Securities purchased under agreements to resell ("reverse repurchase agreements") and securities sold under agreements to repurchase ("repurchase agreements"), comprised primarily of U.S. and non-U.S. government and agency securities, asset-backed securities and corporate debt, represent collateralized financing transactions. Such transactions are recorded in the Consolidated Statements of Financial Condition at their contractual amounts and include accrued interest. The carrying value of repurchase and reverse repurchase agreements approximates fair value.

The Partnership manages credit exposure arising from reverse repurchase agreements and repurchase agreements by, in appropriate circumstances, entering into master netting agreements and collateral arrangements with counterparties that provide the Partnership, in the event of a counterparty default, the right to liquidate collateral and the right to offset a counterparty's rights and obligations.

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The Partnership takes possession of securities purchased under reverse repurchase agreements and is permitted to repledge, deliver or otherwise use such securities. The Partnership also pledges its financial instruments to counterparties to collateralize repurchase agreements. Financial instruments pledged that can be repledged, delivered or otherwise used by the counterparty are recorded in Investments in the Consolidated Statements of Financial Condition. Additional disclosures relating to reverse repurchase and repurchase agreements are discussed in Note 10. “Reverse Repurchase and Repurchase Agreements”.

Blackstone does not offset assets and liabilities relating to reverse repurchase agreements and repurchase agreements in its Consolidated Statements of Financial Condition. Additional disclosures relating to offsetting are discussed in Note 12. “Offsetting of Assets and Liabilities”.

Securities Sold, Not Yet Purchased

Securities Sold, Not Yet Purchased consist of equity and debt securities that the Partnership has borrowed and sold. The Partnership is required to “cover” its short sale in the future by purchasing the security at prevailing market prices and delivering it to the counterparty from which it borrowed the security. The Partnership is exposed to loss in the event that the price at which a security may have to be purchased to cover a short sale exceeds the price at which the borrowed security was sold short.

Securities Sold, Not Yet Purchased are recorded at fair value in the Consolidated Statements of Financial Condition.

Derivative Instruments

The Partnership recognizes all derivatives as assets or liabilities on its Consolidated Statements of Financial Condition at fair value. On the date the Partnership enters into a derivative contract, it designates and documents each derivative contract as one of the following: (a) a hedge of a recognized asset or liability (“fair value hedge”), (b) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability (“cash flow hedge”), (c) a hedge of a net investment in a foreign operation, or (d) a derivative instrument not designated as a hedging instrument (“freestanding derivative”). For a fair value hedge, Blackstone records changes in the fair value of the derivative and, to the extent that it is highly effective, changes in the fair value of the hedged asset or liability attributable to the hedged risk, in current period earnings in General, Administrative and Other in the Consolidated Statements of Operations. Changes in the fair value of derivatives designated as hedging instruments caused by factors other than changes in the risk being hedged, which are excluded from the assessment of hedge effectiveness, are recognized in current period earnings. Gains or losses on a derivative instrument that is designated as, and is effective as, an economic hedge of a net investment in a foreign operation are reported in the cumulative translation adjustment section of other comprehensive income to the extent it is effective as a hedge. The ineffective portion of a net investment hedge is recognized in current period earnings.

The Partnership formally documents at inception its hedge relationships, including identification of the hedging instruments and the hedged items, its risk management objectives, strategy for undertaking the hedge transaction and the Partnership’s evaluation of effectiveness of its hedged transaction. At least monthly, the Partnership also formally assesses whether the derivative it designated in each hedging relationship is expected to be, and has been, highly effective in offsetting changes in estimated fair values or cash flows of the hedged items using either the regression analysis or the dollar offset method. For net investment hedges, the Partnership uses a method based on changes in spot rates to measure effectiveness. If it is determined that a derivative is not highly effective at hedging the designated exposure, hedge accounting is discontinued. The Partnership may also at any time remove a designation of a fair value hedge. The fair values of hedging derivative instruments are reflected within Other Assets in the Consolidated Statements of Financial Condition.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

For freestanding derivative contracts, the Partnership presents changes in fair value in current period earnings. Changes in the fair value of derivative instruments held by consolidated Blackstone Funds are reflected in Net Gains (Losses) from Fund Investment Activities or, where derivative instruments are held by the Partnership, within Investment Income (Loss) in the Consolidated Statements of Operations. The fair value of freestanding derivative assets are recorded within Investments and freestanding derivative liabilities are recorded within Accounts Payable, Accrued Expenses and Other Liabilities in the Consolidated Statements of Financial Condition.

The Partnership has elected to not offset derivative assets and liabilities or financial assets in its Consolidated Statements of Financial Condition, including cash, that may be received or paid as part of collateral arrangements, even when an enforceable master netting agreement is in place that provides the Partnership, in the event of counterparty default, the right to liquidate collateral and the right to offset a counterparty's rights and obligations.

Blackstone's other disclosures regarding derivative financial instruments are discussed in Note 6. "Derivative Financial Instruments".

Blackstone's disclosures regarding offsetting are discussed in Note 12. "Offsetting of Assets and Liabilities".

Affiliates

Blackstone considers its Founder, senior managing directors, employees, the Blackstone Funds and the Portfolio Companies to be affiliates.

Distributions

Distributions are reflected in the consolidated financial statements when declared.

Recent Accounting Developments

In June 2014, the FASB issued amended guidance on revenue from contracts with customers. The guidance requires that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity is required to (a) identify the contract(s) with a customer, (b) identify the performance obligations in the contract, (c) determine the transaction price, (d) allocate the transaction price to the performance obligations in the contract, and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

The guidance introduces new qualitative and quantitative disclosure requirements about contracts with customers including revenue and impairments recognized, disaggregation of revenue and information about contract balances and performance obligations. Information is required about significant judgments and changes in judgments in determining the timing of satisfaction of performance obligations and determining the transaction price and amounts allocated to performance obligations. Additional disclosures are required about assets recognized from the costs to obtain or fulfill a contract.

The amended guidance is effective for annual periods beginning after December 15, 2016, including interim periods within those annual periods. The guidance may have a material impact on Blackstone's consolidated financial statements if it is determined that both performance fees and carried interest are forms of variable consideration that may not be included in the transaction price. This may significantly delay the recognition of carried interest income and performance fees.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

In August 2015, the FASB issued new guidance deferring the effective date of the new revenue recognition standard by one year. The new guidance should be applied for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period.

In June 2014, the FASB issued amended guidance on transfers and servicing. Under the amended guidance, repurchase transactions previously accounted for as sales should be accounted for as secured borrowings. There are additional disclosures relating to repurchase agreements, secured lending transactions and repurchase-to-maturity transactions that are accounted for as secured borrowings including a disaggregation of the gross obligations by the class of collateral pledged, the remaining contractual tenor of the agreements and a discussion of the potential risks associated with the agreements and the related collateral pledged.

The accounting guidance is effective for the first interim or annual period beginning after December 15, 2014. Adoption did not have a material impact on Blackstone's financial statements. The amended disclosure guidance is effective for annual periods beginning after December 15, 2014, and for interim periods beginning after March 15, 2015. The amended disclosure requirements are presented in Note 10. "Reverse Repurchase and Repurchase Agreements". Adoption did not have a material impact on Blackstone's financial statements.

In August 2014, the FASB issued amended guidance on the measurement of financial assets and financial liabilities of a consolidated collateralized financing entity. Under the amended guidance, a reporting entity that consolidates a collateralized financing entity may elect to measure the financial assets and the financial liabilities using the more observable of the fair value of the financial assets and the fair value of the financial liabilities. When this measurement alternative is elected, a reporting entity's consolidated net income (loss) should reflect the reporting entity's own economic interest in the collateralized financing entity, including (a) changes in the fair value of the beneficial interests retained by the reporting entity and (b) beneficial interests that represent compensation for services. The guidance is effective for annual periods, and interim periods within those annual periods, beginning after December 15, 2015. Early adoption is permitted as of the beginning of the annual period. The Partnership adopted the amended guidance for the quarter ended June 30, 2015 and applied a modified retrospective approach as of January 1, 2015. As a result, prior periods have not been impacted. The guidance impacted the measurement of the financial liabilities of Blackstone's consolidated CLOs. Adoption did not have a material impact on Blackstone's financial statements.

In February 2015, the FASB issued amended guidance on consolidation. The amended guidance modifies the analysis that companies must perform in order to determine whether a legal entity should be consolidated. The amended guidance simplifies current consolidation rules by (a) reducing the number of consolidation models, (b) eliminating the risk that a reporting entity may have to consolidate a legal entity solely based on a fee arrangement with another legal entity, (c) placing more weight on the risk of loss in order to identify the party that has a controlling financial interest, (d) reducing the number of instances that related party guidance needs to be applied when determining the party that has a controlling financial interest, and changing rules for companies in certain industries that ordinarily employ limited partnership or VIE structures. The amended guidance is effective for public entities for interim and annual periods beginning after December 15, 2015. Early adoption, including adoption in an interim period, is permitted. The Partnership adopted the guidance for the quarter ended June 30, 2015 and applied a modified retrospective approach as of January 1, 2015. As a result, prior periods have not been impacted. As a result of adoption, certain Blackstone Funds were deconsolidated as of January 1, 2015 resulting in a reduction in consolidated assets and liabilities as of January 1, 2015 of \$8.0 billion and \$4.7 billion, respectively. The impact of adoption on Redeemable Non-Controlling Interests in Consolidated Entities, Appropriated Partners' Capital, and Non-Controlling Interests in Consolidated Entities as of January 1, 2015 was a reduction of \$2.3 billion, \$90.9 million and \$1.0 billion, respectively. The cash flow impact of the adoption of the amended guidance was \$442.4 million as of January 1, 2015 and is reflected as Cash Relinquished with Deconsolidation and Liquidation of Partnership in the Consolidated Statements of Cash Flows. Adoption of the amended guidance had no impact on Net Income Attributable to The Blackstone Group L.P.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

In April 2015, the FASB issued amended guidance to simplify the presentation of debt issuance costs. The amendments require that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability rather than as an Other Asset, consistent with debt discounts. The amendments are effective for fiscal years beginning after December 15, 2015 and interim periods within those years. Early adoption is permitted for financial statements that have not previously been issued. The Partnership adopted the guidance as of June 30, 2015 and applied the guidance retrospectively. Adoption of the amended guidance did not have a material impact on Blackstone's financial statements.

In August 2015, the FASB issued clarifying guidance on the presentation and subsequent measurement of debt issuance costs associated with the line of credit arrangements. An entity may defer and present debt issuance costs as assets and subsequently amortize the deferred debt issuance costs ratably over the term of the line-of-credit arrangement, regardless of whether there are any outstanding borrowings on the line-of-credit arrangement. The guidance is effective immediately. Adoption of the guidance did not have a material impact on Blackstone's consolidated financial statements.

In May 2015, the FASB issued amended guidance on the disclosures for investments in certain entities that calculate NAV per share (or its equivalent). The amendments remove the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the NAV per share practical expedient. The amendments also remove the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the NAV per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient.

The guidance is effective for fiscal years beginning after December 15, 2015 and for interim periods within those years. Early application is permitted. Blackstone adopted the guidance for the quarter ended June 30, 2015 and applied the guidance retrospectively. Adoption of the guidance did not have a material impact on Blackstone's financial statements.

3. GOODWILL AND INTANGIBLE ASSETS

The carrying value of goodwill was \$1.7 billion and \$1.8 billion as of December 31, 2015 and 2014, respectively. At October 1, 2015, the entire goodwill balance of \$68.9 million attributable to the Financial Advisory segment was transferred to PJT Partners Inc. at the spin-off. At December 31, 2015 and 2014, the Partnership determined there was no evidence of Goodwill impairment.

At December 31, 2015, goodwill has been allocated to each of the Partnership's four segments as follows: Private Equity (\$778.3 million), Real Estate (\$421.7 million), Hedge Fund Solutions (\$172.1 million), and Credit (\$346.4 million). At December 31, 2014, goodwill has been allocated to each of the Partnership's historical segments as follows: Private Equity (\$778.3 million), Real Estate (\$421.7 million), Hedge Fund Solutions (\$172.1 million), Credit (\$346.4 million), and Financial Advisory (\$68.9 million).

Intangible Assets, Net consists of the following:

	December 31,	
	2015	2014
Finite-Lived Intangible Assets / Contractual Rights	\$ 1,424,226	\$ 1,464,017
Accumulated Amortization	(1,078,679)	(1,005,184)
Intangible Assets, Net	<u>\$ 345,547</u>	<u>\$ 458,833</u>

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Changes in the Partnership's Intangible Assets, Net consists of the following:

	Year Ended December 31,		
	2015	2014	2013
Balance, Beginning of Year	\$ 458,833	\$ 560,748	\$ 598,535
Amortization Expense	(101,437)	(101,915)	(95,671)
Acquisitions	—	—	57,884
Intangibles Transferred to PJT Partners Inc. at Spin-Off	(11,849)	—	—
Balance, End of Year	<u>\$ 345,547</u>	<u>\$ 458,833</u>	<u>\$ 560,748</u>

Amortization of Intangible Assets held at December 31, 2015 is expected to be \$82.9 million, \$43.9 million, \$43.8 million, \$43.8 million, and \$43.8 million for each of the years ending December 31, 2016, 2017, 2018, 2019, and 2020, respectively. Blackstone's intangible assets as of December 31, 2015 are expected to amortize over a weighted-average period of 6.4 years.

4. INVESTMENTS

Investments consist of the following:

	December 31,	
	2015	2014
Investments of Consolidated Blackstone Funds	\$ 4,613,944	\$ 11,375,407
Equity Method Investments	3,110,810	3,240,825
Blackstone's Treasury Cash Management Strategies	1,682,259	1,666,061
Performance Fees	4,757,932	6,337,045
Other Investments	159,152	146,251
	<u>\$ 14,324,097</u>	<u>\$ 22,765,589</u>

Blackstone's share of Investments of Consolidated Blackstone Funds totaled \$451.9 million and \$704.9 million at December 31, 2015 and December 31, 2014, respectively.

Investments of Consolidated Blackstone Funds

The following table presents the Realized and Net Change in Unrealized Gains (Losses) on investments held by the consolidated Blackstone Funds and a reconciliation to Other Income — Net Gains from Fund Investment Activities in the Consolidated Statements of Operations:

	Year Ended December 31,		
	2015	2014	2013
Realized Gains	\$ 223,078	\$ 143,194	\$ 205,741
Net Change in Unrealized (Losses)	(161,398)	(20,127)	(26,800)
Realized and Net Change in Unrealized Gains from Blackstone Funds	61,680	123,067	178,941
Interest and Dividend Revenue Attributable to Consolidated Blackstone Funds	114,684	234,787	202,723
Other Income — Net Gains from Fund Investment Activities	<u>\$ 176,364</u>	<u>\$ 357,854</u>	<u>\$ 381,664</u>

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Equity Method Investments

Blackstone's equity method investments include its investments in private equity funds, real estate funds, funds of hedge funds and credit-focused funds and other proprietary investments, which are not consolidated but in which the Partnership exerts significant influence.

Blackstone evaluates each of its equity method investments to determine if any were significant as defined by guidance from the United States Securities and Exchange Commission. As of and for the years ended December 31, 2015, 2014 and 2013, no individual equity method investment held by Blackstone met the significance criteria. As such, Blackstone is not required to present separate financial statements for any of its equity method investments.

Blackstone holds a 40% non-controlling equity interest in Pátria Investments Limited and Pátria Investimentos Ltda. (collectively, "Pátria") and accounts for this interest using the equity method of accounting.

The Partnership recognized net gains related to its equity method investments of \$82.2 million, \$297.9 million and \$591.9 million for the years ended December 31, 2015, 2014 and 2013, respectively.

The summarized financial information of the Partnership's equity method investments for December 31, 2015 are as follows:

	December 31, 2015 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Other (a)	Total
Statement of Financial Condition						
Assets						
Investments	\$ 48,210,598	\$ 61,971,919	\$ 21,858,491	\$ 16,136,543	\$ 11,577	\$ 148,189,128
Other Assets	1,041,591	6,210,557	1,927,535	1,174,601	53,825	10,408,109
Total Assets	\$ 49,252,189	\$ 68,182,476	\$ 23,786,026	\$ 17,311,144	\$ 65,402	\$ 158,597,237
Liabilities and Partners' Capital						
Debt	\$ 2,178,261	\$ 5,562,806	\$ 275,068	\$ 2,086,670	\$ —	\$ 10,102,805
Other Liabilities	1,315,572	1,573,370	1,462,072	956,305	52,269	5,359,588
Total Liabilities	3,493,833	7,136,176	1,737,140	3,042,975	52,269	15,462,393
Partners' Capital	45,758,356	61,046,300	22,048,886	14,268,169	13,133	143,134,844
Total Liabilities and Partners' Capital	\$ 49,252,189	\$ 68,182,476	\$ 23,786,026	\$ 17,311,144	\$ 65,402	\$ 158,597,237
Statement of Operations						
Interest Income	\$ 384,174	\$ 361,249	\$ 170	\$ 533,591	\$ —	\$ 1,279,184
Other Income	8,506	1,313,956	35,112	49,042	84,975	1,491,591
Interest Expense	(33,416)	(91,985)	(3,228)	(61,971)	—	(190,600)
Other Expenses	(278,911)	(355,617)	(125,393)	(167,385)	(45,203)	(972,509)
Net Realized and Unrealized Gain from Investments	3,272,934	3,740,127	449,930	(954,692)	17,778	6,526,077
Net Income	\$ 3,353,287	\$ 4,967,730	\$ 356,591	\$ (601,415)	\$ 57,550	\$ 8,133,743

- (a) Other represents the summarized financial information of equity method investments whose results, for segment reporting purposes, have been allocated across more than one of Blackstone's segments.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The summarized financial information of the Partnership's equity method investments for December 31, 2014 are as follows:

	December 31, 2014 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Other (a)	Total
Statement of Financial Condition						
Assets						
Investments	\$ 43,005,350	\$ 59,117,360	\$ 15,947,483	\$ 14,611,539	\$ 19,594	\$ 132,701,326
Other Assets	667,131	3,213,450	1,411,406	1,751,967	53,551	7,097,505
Total Assets	<u>\$ 43,672,481</u>	<u>\$ 62,330,810</u>	<u>\$ 17,358,889</u>	<u>\$ 16,363,506</u>	<u>\$ 73,145</u>	<u>\$ 139,798,831</u>
Liabilities and Partners' Capital						
Debt	\$ 836,667	\$ 3,645,998	\$ 20,550	\$ 1,254,774	\$ —	\$ 5,757,989
Other Liabilities	100,362	617,101	919,013	827,469	24,937	2,488,892
Total Liabilities	<u>937,029</u>	<u>4,263,099</u>	<u>939,563</u>	<u>2,082,243</u>	<u>24,937</u>	<u>8,246,871</u>
Partners' Capital	42,735,452	58,067,711	16,419,326	14,281,263	48,208	131,551,960
Total Liabilities and Partners' Capital	<u>\$ 43,672,481</u>	<u>\$ 62,330,810</u>	<u>\$ 17,358,889</u>	<u>\$ 16,363,506</u>	<u>\$ 73,145</u>	<u>\$ 139,798,831</u>
Statement of Operations						
Interest Income	\$ 406,255	\$ 260,683	\$ 483	\$ 567,008	\$ 1	\$ 1,234,430
Other Income	21,305	1,030,685	125,441	52,207	118,835	1,348,473
Interest Expense	(61,855)	(89,842)	(271)	(86,957)	(153)	(239,078)
Other Expenses	(97,073)	(249,095)	(103,787)	(177,968)	(71,297)	(699,220)
Net Realized and Unrealized Gain from Investments	8,567,193	10,441,009	547,982	643,080	3,263	20,202,527
Net Income	<u>\$ 8,835,825</u>	<u>\$ 11,393,440</u>	<u>\$ 569,848</u>	<u>\$ 997,370</u>	<u>\$ 50,649</u>	<u>\$ 21,847,132</u>

- (a) Other represents the summarized financial information of equity method investments whose results, for segment reporting purposes, have been allocated across more than one of Blackstone's segments.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The summarized financial information of the Partnership's equity method investments for December 31, 2013 are as follows:

	December 31, 2013 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Other (a)	Total
Statement of Financial Condition						
Assets						
Investments	\$ 35,516,755	\$ 57,053,881	\$ 11,529,163	\$ 12,150,918	\$ 26,839	\$ 116,277,556
Other Assets	389,265	3,441,977	1,114,404	2,678,742	128,826	7,753,214
Total Assets	<u>\$ 35,906,020</u>	<u>\$ 60,495,858</u>	<u>\$ 12,643,567</u>	<u>\$ 14,829,660</u>	<u>\$ 155,665</u>	<u>\$ 124,030,770</u>
Liabilities and Partners' Capital						
Debt	\$ 1,691,018	\$ 3,013,762	\$ 63,830	\$ 1,165,405	\$ 967	\$ 5,934,982
Other Liabilities	54,909	886,445	689,964	1,131,557	14,222	2,777,097
Total Liabilities	<u>1,745,927</u>	<u>3,900,207</u>	<u>753,794</u>	<u>2,296,962</u>	<u>15,189</u>	<u>8,712,079</u>
Partners' Capital	34,160,093	56,595,651	11,889,773	12,532,698	140,476	115,318,691
Total Liabilities and Partners' Capital	<u>\$ 35,906,020</u>	<u>\$ 60,495,858</u>	<u>\$ 12,643,567</u>	<u>\$ 14,829,660</u>	<u>\$ 155,665</u>	<u>\$ 124,030,770</u>
Statement of Operations						
Interest Income	\$ 294,171	\$ 140,879	\$ 224	\$ 630,902	\$ 4	\$ 1,066,180
Other Income	10,580	752,184	89,632	30,937	101,214	984,547
Interest Expense	(37,846)	(51,544)	(310)	(68,973)	—	(158,673)
Other Expenses	(88,957)	(108,580)	(71,326)	(105,706)	(65,197)	(439,766)
Net Realized and Unrealized Gain from Investments	9,002,197	13,225,141	1,127,173	1,979,078	2,944	25,336,533
Net Income	<u>\$ 9,180,145</u>	<u>\$ 13,958,080</u>	<u>\$ 1,145,393</u>	<u>\$ 2,466,238</u>	<u>\$ 38,965</u>	<u>\$ 26,788,821</u>

- (a) Other represents the summarized financial information of equity method investments whose results, for segment reporting purposes, have been allocated across more than one of Blackstone's segments.

Blackstone's Treasury Cash Management Strategies

The portion of Blackstone's Treasury Cash Management Strategies included in Investments represents the Partnership's liquid investments in government, other investment and non-investment grade securities and other investments. These strategies are primarily managed by third party institutions. The following table presents the realized and net change in unrealized gains (losses) on investments held by Blackstone's Treasury Cash Management Strategies:

	Year Ended December 31,		
	2015	2014	2013
Realized Gains (Losses)	\$ (15,525)	\$ 11,689	\$ (5,793)
Net Change in Unrealized Gains (Losses)	(35,709)	2,002	(9,342)
	<u>\$ (51,234)</u>	<u>\$ 13,691</u>	<u>\$ (15,135)</u>

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Notes to Consolidated Financial Statements—Continued
(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Performance Fees

Performance Fees allocated to the general partner in respect of performance of certain Carry Funds, funds of hedge funds and credit-focused funds were as follows:

	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Total
Performance Fees, December 31, 2014	\$ 2,215,584	\$ 3,721,751	\$ 15,031	\$ 384,679	\$ 6,337,045
Performance Fees Allocated as a Result of Changes in Fund Fair Values	757,001	1,026,731	27,916	(102,286)	1,709,362
Foreign Exchange Gain (Loss)	—	(48,363)	—	—	(48,363)
Fund Distributions	(1,493,142)	(1,598,431)	(33,200)	(115,339)	(3,240,112)
Performance Fees, December 31, 2015	<u>\$ 1,479,443</u>	<u>\$ 3,101,688</u>	<u>\$ 9,747</u>	<u>\$ 167,054</u>	<u>\$ 4,757,932</u>

Other Investments

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

	Year Ended December 31,		
	2015	2014	2013
Realized Gains	\$ 80	\$ 5,082	\$ 13,468
Net Change in Unrealized (Losses)	(4,079)	(6,309)	(6,758)
	<u>\$ (3,999)</u>	<u>\$ (1,227)</u>	<u>\$ 6,710</u>

5. NET ASSET VALUE AS FAIR VALUE

A summary of fair value by strategy type alongside the remaining unfunded commitments and ability to redeem such investments as of December 31, 2015 is presented below:

Strategy	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Diversified Instruments	\$157,837	\$ 148	(a)	(a)
Credit Driven	265,735	268	(b)	(b)
Event Driven	64,513	—	(c)	(c)
Equity	252	—	(d)	(d)
Commodities	2,105	—	(e)	(e)
	<u>\$490,442</u>	<u>\$ 416</u>		

- (a) Diversified Instruments include investments in funds that invest across multiple strategies. Investments representing 4% of the fair value of the investments in this category may not be redeemed at, or within three months of, the reporting date. The remaining 96% of investments in this category are redeemable as of the reporting date.
- (b) The Credit Driven category includes investments in hedge funds that invest primarily in domestic and international bonds. Investments representing 34% of the fair value of the investments in this category may not

THE BLACKSTONE GROUP L.P.**Notes to Consolidated Financial Statements—Continued****(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)**

be redeemed at, or within three months of, the reporting date. Investments representing 63% of the fair value of the investments in this category are redeemable as of the reporting date. Investments representing 3% of the total fair value in the credit driven category are subject to redemption restrictions such as the investee fund manager's ability to limit the amount of redemptions.

- (c) The Event Driven category includes investments in hedge funds whose primary investing strategy is to identify certain event-driven investments. Withdrawals are generally not permitted for the investments in this category. Distributions will be received as the underlying investments are liquidated.
- (d) The Equity category includes investments in hedge funds that invest primarily in domestic and international equity securities. Withdrawals are generally not permitted for the investments in this category. Distributions will be received as the underlying investments are liquidated.
- (e) The Commodities category includes investments in commodities-focused funds that primarily invest in futures and physical-based commodity driven strategies. Withdrawals are generally not permitted for the investments in this category. Distributions will be received as the underlying investments are liquidated.

6. DERIVATIVE FINANCIAL INSTRUMENTS

Blackstone and the Blackstone Funds enter into derivative contracts in the normal course of business to achieve certain risk management objectives and for general investment purposes. Blackstone may enter into derivative contracts in order to hedge its interest rate risk exposure against the effects of interest rate changes. Additionally, Blackstone may also enter into derivative contracts in order to hedge its foreign currency risk exposure against the effects of a portion of its non-U.S. dollar denominated currency net investments. As a result of the use of derivative contracts, Blackstone and the consolidated Blackstone Funds are exposed to the risk that counterparties will fail to fulfill their contractual obligations. To mitigate such counterparty risk, Blackstone and the consolidated Blackstone Funds enter into contracts with certain major financial institutions, all of which have investment grade ratings. Counterparty credit risk is evaluated in determining the fair value of derivative instruments.

Net Investment Hedges

To manage the potential exposure from adverse changes in currency exchange rates arising from Blackstone's net investment in foreign operations, during December 2014, Blackstone entered into several foreign currency forward contracts to hedge a portion of the net investment in Blackstone's non-U.S. dollar denominated foreign operations.

Blackstone uses foreign currency forward contracts to hedge portions of Blackstone's net investments in foreign operations. The gains and losses due to change in fair value attributable to changes in spot exchange rates on foreign currency derivatives designated as net investment hedges were recognized in Other Comprehensive Income (Loss), Net of Tax — Currency Translation Adjustment. For the year ended December 31, 2015 the resulting gain was \$6.7 million.

Freestanding Derivatives

Freestanding derivatives are instruments that Blackstone and certain of the consolidated Blackstone Funds have entered into as part of their overall risk management and investment strategies. These derivative contracts are not designated as hedging instruments for accounting purposes. Such contracts may include interest rate swaps, foreign exchange contracts, equity swaps, options, futures and other derivative contracts.

In June 2012, Blackstone removed the fair value hedge designation of its interest rate swaps that were previously used to hedge a portion of the interest rate risk on the Partnership's fixed rate borrowings. Changes in the fair value of the interest rate swaps subsequent to the date of de-designation are reflected within Freestanding Derivatives within Interest Rate Contracts in the table below.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The table below summarizes the aggregate notional amount and fair value of the derivative financial instruments. The notional amount represents the absolute value amount of all outstanding derivative contracts.

	December 31, 2015				December 31, 2014			
	Assets		Liabilities		Assets		Liabilities	
	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value	Notional	Fair Value
Net Investment Hedges								
Foreign Currency Contracts	\$ 53,627	\$ 319	\$ 138	\$ 1	\$ 62,078	\$ 523	\$ —	\$ —
Freestanding Derivatives								
Blackstone — Other								
Interest Rate Contracts	1,681,533	2,212	1,054,465	4,288	223,886	407	879,412	4,590
Foreign Currency Contracts	158,684	2,088	271,891	2,042	192,163	2,798	148,873	681
Credit Default Swaps	—	—	19,250	2,411	19,500	85	56,000	868
Consolidated Blackstone Funds								
Foreign Currency Contracts	124,595	1,400	92,094	6,490	199,364	8,915	250,244	21,875
Interest Rate Contracts	—	—	—	—	22,659	2,281	—	—
Credit Default Swaps	—	—	108,786	6,275	—	—	91,372	2,514
	1,964,812	5,700	1,546,486	21,506	657,572	14,486	1,425,901	30,528
Total	\$2,018,439	\$6,019	\$1,546,624	\$21,507	\$719,650	\$15,009	\$1,425,901	\$30,528

The table below summarizes the impact to the Consolidated Statements of Operations from derivative financial instruments:

	Year Ended December 31,		
	2015	2014	2013
Net Investment Hedges — Foreign Currency Contracts			
Hedge Ineffectiveness	\$ 283	\$ —	\$ —
Freestanding Derivatives			
Realized Gains (Losses)			
Interest Rate Contracts	\$ (8,716)	\$ (1,012)	\$34,206
Foreign Currency Contracts	12,828	8,251	4,022
Credit Default Swaps	2,336	1,363	752
Total	\$ 6,448	\$ 8,602	\$38,980
Net Change in Unrealized Gains (Losses)			
Interest Rate Contracts	\$ 3,933	\$ (7,757)	\$ (1,947)
Foreign Currency Contracts	(7,930)	(31,728)	2,636
Credit Default Swaps	(7,518)	5,193	392
Total	\$(11,515)	\$(34,292)	\$ 1,081

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

Since the inception of the above mentioned fair value hedge designation, Blackstone recognized a \$64.2 million increase in the fair value of the hedged borrowing. This basis adjustment is being accreted using the effective interest method through August 15, 2019, the remaining term of the hedged borrowing.

As of December 31, 2015, 2014 and 2013, the Partnership had not designated any derivatives as cash flow hedges.

7. FAIR VALUE OPTION

The following table summarizes the financial instruments for which the fair value option has been elected:

	December 31,	
	2015	2014
Assets		
Loans and Receivables	\$ 261,994	\$ 40,397
Debt Securities	15,176	—
Equity and Preferred Securities	280,879	102,907
Assets of Consolidated CLO Vehicles		
Corporate Loans	3,087,563	6,279,592
Corporate Bonds	379,000	292,690
Other	—	44,513
	<u>\$ 4,024,612</u>	<u>\$ 6,760,099</u>
Liabilities		
Liabilities of Consolidated CLO Vehicles		
Senior Secured Notes	\$ 3,225,064	\$ 6,448,352
Subordinated Notes	98,371	348,752
	<u>\$ 3,323,435</u>	<u>\$ 6,797,104</u>

The following table presents the realized and net change in unrealized gains (losses) on financial instruments on which the fair value option was elected:

	Year Ended December 31,					
	2015		2014		2013	
	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)	Realized Gains (Losses)	Net Change in Unrealized Gains (Losses)
Assets						
Loans and Receivables	\$ —	\$ (4,793)	\$ (1,703)	\$ (3,022)	\$ 43	\$ (1,101)
Debt Securities	—	(426)	—	—	—	—
Equity and Preferred Securities	(300)	(17,269)	(2,038)	6,885	(2,833)	7,273
Assets of Consolidated CLO Vehicles						
Corporate Loans	(1,895)	(36,502)	(77,041)	(28,054)	37,464	172,968
Corporate Bonds	(551)	1,188	(1,405)	(7,931)	4,510	(5,058)
Other	4,431	(3,589)	22,625	17,649	2,647	(476)
	<u>\$ 1,685</u>	<u>\$ (61,391)</u>	<u>\$ (59,562)</u>	<u>\$ (14,473)</u>	<u>\$ 41,831</u>	<u>\$ 173,606</u>
Liabilities						
Liabilities of Consolidated CLO Vehicles						
Senior Secured Notes	\$ —	\$ —	\$ (6,626)	\$ (133,274)	\$ (6,078)	\$ (485,655)
Subordinated Notes	—	57,119	—	108,611	—	96,991
	<u>\$ —</u>	<u>\$ 57,119</u>	<u>\$ (6,626)</u>	<u>\$ (24,663)</u>	<u>\$ (6,078)</u>	<u>\$ (388,664)</u>

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

The following table presents information for those financial instruments for which the fair value option was elected:

	December 31, 2015			December 31, 2014		
	(Deficiency) of Fair Value Over Principal	For Financial Assets Past Due (a) Fair Value	(Deficiency) of Fair Value Over Principal	(Deficiency) of Fair Value Over Principal	For Financial Assets Past Due (a) Fair Value	(Deficiency) of Fair Value Over Principal
Loans and Receivables	\$ (8,845)	\$ —	\$ —	\$ (5,323)	\$ —	\$ —
Debt Securities	(426)	—	—	—	—	—
Assets of Consolidated CLO Vehicles						
Corporate Loans	(77,900)	1,088	(5,620)	(197,580)	4,369	(21,876)
Corporate Bonds	(6,046)	—	—	(7,814)	—	—
	<u>\$ (93,217)</u>	<u>\$ 1,088</u>	<u>\$ (5,620)</u>	<u>\$ (210,717)</u>	<u>\$ 4,369</u>	<u>\$ (21,876)</u>

(a) Corporate Loans and Corporate Bonds within CLO assets are classified as past due if contractual payments are more than one day past due.

As of December 31, 2015 and 2014, no Loans and Receivables for which the fair value option was elected were past due or in non-accrual status. As of December 31, 2015, no Corporate Bonds included within the Assets of Consolidated CLO Vehicles for which the fair value option was elected were past due or in non-accrual status.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

8. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following tables summarize the valuation of the Partnership's financial assets and liabilities by the fair value hierarchy:

	December 31, 2015				
	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>NAV</u>	<u>Total</u>
Assets					
Investments of Consolidated Blackstone Funds (a)					
Investment Funds	\$ —	\$ —	\$ —	\$ 155,512	\$ 155,512
Equity Securities	82,734	53,250	80,849	—	216,833
Partnership and LLC Interests	—	101,399	472,391	—	573,790
Debt Instruments	—	179,465	20,381	—	199,846
Assets of Consolidated CLO Vehicles					
Corporate Loans	—	2,886,792	200,771	—	3,087,563
Corporate Bonds	—	379,000	—	—	379,000
Freestanding Derivatives — Foreign Currency Contracts	—	1,400	—	—	1,400
Total Investments of Consolidated Blackstone Funds	<u>82,734</u>	<u>3,601,306</u>	<u>774,392</u>	<u>155,512</u>	<u>4,613,944</u>
Blackstone's Treasury Cash Management Strategies					
Equity Securities	240,464	—	—	—	240,464
Debt Instruments	—	1,069,915	54,657	115,657	1,240,229
Other	—	—	—	201,566	201,566
Total Blackstone's Treasury Cash Management Strategies	<u>240,464</u>	<u>1,069,915</u>	<u>54,657</u>	<u>317,223</u>	<u>1,682,259</u>
Money Market Funds	460,233	—	—	—	460,233
Net Investment Hedges — Foreign Currency Contracts	—	319	—	—	319
Freestanding Derivatives					
Interest Rate Contracts	1,806	406	—	—	2,212
Foreign Currency Contracts	—	2,088	—	—	2,088
Loans and Receivables	—	—	261,994	—	261,994
Other Investments	40,261	—	101,184	17,707	159,152
	<u>\$ 825,498</u>	<u>\$ 4,674,034</u>	<u>\$ 1,192,227</u>	<u>\$ 490,442</u>	<u>\$ 7,182,201</u>

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	December 31, 2015			
	Level I	Level II	Level III	Total
Liabilities				
Liabilities of Consolidated CLO Vehicles (a)				
Senior Secured Notes (b)	\$ —	\$3,225,064	\$ —	\$3,225,064
Subordinated Notes (b)	—	98,371	—	98,371
Freestanding Derivatives — Foreign Currency Contracts	—	6,490	—	6,490
Freestanding Derivatives — Credit Default Swaps	—	6,275	—	6,275
Net Investment Hedges — Foreign Currency Contracts	—	1	—	1
Freestanding Derivatives				
Interest Rate Contracts	835	3,453	—	4,288
Foreign Currency Contracts	—	2,042	—	2,042
Credit Default Swaps	—	2,411	—	2,411
Securities Sold, Not Yet Purchased	—	176,667	—	176,667
	<u>\$ 835</u>	<u>\$3,520,774</u>	<u>\$ —</u>	<u>\$3,521,609</u>

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	December 31, 2014				
	Level I	Level II	Level III	NAV	Total
Assets					
Investments of Consolidated Blackstone Funds (a)					
Investment Funds	\$ —	\$ —	\$ —	\$ 1,103,210	\$ 1,103,210
Equity Securities	58,934	114,115	179,311	—	352,360
Partnership and LLC Interests	—	187,140	1,496,422	—	1,683,562
Debt Instruments	—	1,502,314	105,970	—	1,608,284
Assets of Consolidated CLO Vehicles					
Corporate Loans	—	5,691,517	588,075	—	6,279,592
Corporate Bonds	—	292,690	—	—	292,690
Freestanding Derivatives — Foreign Currency Contracts	—	8,915	—	—	8,915
Freestanding Derivatives — Interest Rate Contracts	—	2,281	—	—	2,281
Other	13	19,455	25,045	—	44,513
Total Investments of Consolidated Blackstone Funds	58,947	7,818,427	2,394,823	1,103,210	11,375,407
Blackstone's Treasury Cash Management Strategies					
Investment Funds	307,111	—	—	—	307,111
Equity Securities	71,746	—	—	—	71,746
Debt Instruments	—	1,090,794	84,894	50,507	1,226,195
Other	—	—	—	61,009	61,009
Total Blackstone's Treasury Cash Management Strategies	378,857	1,090,794	84,894	111,516	1,666,061
Money Market Funds	198,278	—	—	—	198,278
Net Investment Hedges — Foreign Currency Contracts	—	523	—	—	523
Freestanding Derivatives					
Interest Rate Contracts	263	144	—	—	407
Foreign Currency Contracts	—	2,798	—	—	2,798
Credit Default Swaps	—	85	—	—	85
Loans and Receivables	—	—	40,397	—	40,397
Other Investments	31,731	436	104,491	9,593	146,251
	<u>\$ 668,076</u>	<u>\$ 8,913,207</u>	<u>\$ 2,624,605</u>	<u>\$ 1,224,319</u>	<u>\$ 13,430,207</u>

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	December 31, 2014			
	Level I	Level II	Level III	Total
Liabilities				
Liabilities of Consolidated CLO Vehicles (a)				
Senior Secured Notes (b)	\$ —	\$ —	\$6,448,352	\$6,448,352
Subordinated Notes (b)	—	—	348,752	348,752
Freestanding Derivatives — Foreign Currency Contracts	—	21,875	—	21,875
Freestanding Derivatives — Credit Default Swaps	—	2,514	—	2,514
Freestanding Derivatives				
Interest Rate Contracts	1,357	3,233	—	4,590
Foreign Currency Contracts	—	681	—	681
Credit Default Swaps	—	868	—	868
Securities Sold, Not Yet Purchased	—	85,878	—	85,878
	<u>\$1,357</u>	<u>\$115,049</u>	<u>\$6,797,104</u>	<u>\$6,913,510</u>

- (a) Pursuant to GAAP consolidation guidance, the Partnership is required to consolidate all VIEs in which it has been identified as the primary beneficiary, including certain CLO vehicles, and other funds in which a consolidated entity of the Partnership, as the general partner of the fund, is presumed to have control. While the Partnership is required to consolidate certain funds, including CLO vehicles, for GAAP purposes, the Partnership has no ability to utilize the assets of these funds and there is no recourse to the Partnership for their liabilities since these are client assets and liabilities.
- (b) Senior and subordinate notes issued by CLO vehicles are classified based on the more observable fair value of CLO assets less (a) the fair value of any beneficial interests held by Blackstone, and (b) the carrying value of any beneficial interests that represent compensation for services.

The following table summarizes the fair value transfers between Level I and Level II for positions that existed as of December 31, 2015 and 2014, respectively:

	Year Ended December 31,	
	2015	2014
Transfers from Level I into Level II (a)	\$ —	\$ 1,639
Transfers from Level II into Level I (b)	\$32,025	\$23,758

- (a) Transfers out of Level I represent those financial instruments for which restrictions exist and adjustments were made to an otherwise observable price to reflect fair value at the reporting date.
- (b) Transfers into Level I represent those financial instruments for which an unadjusted quoted price in an active market became available for the identical asset.

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The following table summarizes the quantitative inputs and assumptions used for items categorized in Level III of the fair value hierarchy as of December 31, 2015:

Financial Assets	Fair Value	Valuation Techniques	Unobservable Inputs	Ranges	Weighted Average (a)
Investments of Consolidated Blackstone Funds					
Equity Securities	\$ 66,962	Discounted Cash Flows	Discount Rate	7.8% - 25.0%	13.6%
			Revenue CAGR	-5.0% - 61.5%	10.2%
			Exit Multiple - EBITDA	5.0x - 18.2x	9.6x
			Exit Multiple - P/E	10.5x - 17.0x	11.2x
			Exit Capitalization Rate	5.5% - 11.4%	9.0%
	5,426	Other	N/A	N/A	N/A
	6,722	Transaction Price	N/A	N/A	N/A
	1,710	Market Comparable Companies	EBITDA Multiple	6.5x - 8.0x	6.6x
			Book Value Multiple	0.9x	N/A
	29	Third Party Pricing	N/A	N/A	N/A
Partnership and LLC Interests	423,588	Discounted Cash Flows	Discount Rate	2.1% - 25.8%	9.3%
			Revenue CAGR	-24.1% - 31.8%	8.6%
			Exit Multiple - EBITDA	0.1x - 23.8x	9.8x
			Exit Multiple - P/E	9.3x	N/A
			Exit Capitalization Rate	2.7% - 12.1%	6.3%
	30,437	Transaction Price	N/A	N/A	N/A
	16,963	Third Party Pricing	N/A	N/A	N/A
	1,403	Other	N/A	N/A	N/A
Debt Instruments	16,217	Third Party Pricing	N/A	N/A	N/A
	4,086	Discounted Cash Flows	Discount Rate	6.5% - 52.7%	14.1%
			Revenue CAGR	16.8%	N/A
			Exit Multiple - EBITDA	12.0x	N/A
			Exit Capitalization Rate	1.0% - 8.3%	5.8%
	78	Transaction Price	N/A	N/A	N/A
Assets of Consolidated CLO Vehicles	180,988	Third Party Pricing	N/A	N/A	N/A
	<u>19,783</u>	Market Comparable Companies	EBITDA Multiple	4.5x - 7.0x	6.5x
Total Investments of Consolidated Blackstone Funds	<u>774,392</u>				

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	<u>Fair Value</u>	<u>Valuation Techniques</u>	<u>Unobservable Inputs</u>	<u>Ranges</u>	<u>Weighted Average (a)</u>
Blackstone's Treasury Cash Management Strategies	\$ 32,004	Discounted Cash Flows	Default Rate	1.0% - 2.0%	1.9%
			Recovery Rate	30.0% - 70.0%	67.0%
			Recovery Lag	12 months	N/A
			Pre-payment Rate	20.0%	N/A
			Reinvestment Rate	LIBOR + 400 bps	N/A
			Discount Rate	5.8% - 14.0%	8.6%
	22,653	Third Party Pricing	N/A	N/A	N/A
Loans and Receivables	241,897	Discounted Cash Flows	Discount Rate	6.7% - 20.6%	11.0%
	20,097	Third Party Pricing	N/A	N/A	N/A
Other Investments	81,984	Discounted Cash Flows	Discount Rate	1.4% - 12.5%	3.3%
			Default Rate	2.0%	N/A
			Recovery Rate	70.0%	N/A
			Recovery Lag	12 months	N/A
			Pre-payment Rate	20.0%	N/A
			Reinvestment Rate	LIBOR + 400 bps	N/A
	19,200	Transaction Price	N/A	N/A	N/A
Total	<u>\$ 1,192,227</u>				

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The following table summarizes the quantitative inputs and assumptions used for items categorized in Level III of the fair value hierarchy as of December 31, 2014:

Financial Assets	Fair Value	Valuation Techniques	Unobservable Inputs	Ranges	Weighted Average (a)
Investments of Consolidated Blackstone Funds					
Equity Securities	\$ 106,727	Discounted Cash Flows	Discount Rate	8.4% - 24.7%	11.8%
			Revenue CAGR	0.7% - 24.4%	7.1%
			Exit Multiple - EBITDA	5.0x - 13.0x	10.1x
			Exit Multiple - P/E	10.5x - 17.0x	11.2x
	67,706	Transaction Price	N/A	N/A	N/A
	163	Market Comparable Companies	EBITDA Multiple	6.7x - 7.6x	6.9x
	45	Third Party Pricing	N/A	N/A	N/A
	4,670	Other	N/A	N/A	N/A
Partnership and LLC Interests	485,748	Discounted Cash Flows	Discount Rate	4.4% - 21.5%	9.5%
			Revenue CAGR	-4.4% - 41.7%	6.5%
			Exit Multiple - EBITDA	1.0x - 19.1x	9.7x
			Exit Capitalization Rate	2.0% - 19.1%	6.8%
	996,199	Transaction Price	N/A	N/A	N/A
	13,793	Third Party Pricing	N/A	N/A	N/A
	682	Other	N/A	N/A	N/A
Debt Instruments	9,570	Discounted Cash Flows	Discount Rate	8.8% - 24.7%	16.1%
			Revenue CAGR	4.7% - 6.8%	5.0%
			Exit Multiple - EBITDA	5.9x - 11.3x	11.0x
			Exit Capitalization Rate	1.0% - 12.4%	9.3%
			Default Rate	2%	N/A
			Recovery Rate	30.0% - 70.0%	66.0%
			Recovery Lag	12 months	N/A
			Pre-payment Rate	20%	N/A
			Reinvestment Rate	LIBOR + 400 bps	N/A
	95,542	Third Party Pricing	N/A	N/A	N/A
	686	Transaction Price	N/A	N/A	N/A
	172	Market Comparable Companies	EBITDA Multiple	6.6x - 7.9x	6.6x
Assets of Consolidated CLO Vehicles	318,636	Third Party Pricing	N/A	N/A	N/A
	290,658	Market Comparable Companies	EBITDA Multiple	3.8x - 15.0x	6.1x
	3,826	Discounted Cash Flows	Discount Rate	8.0%	N/A
Total Investments of Consolidated Blackstone Funds	2,394,823				

continued ...

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Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	<u>Fair Value</u>	<u>Valuation Techniques</u>	<u>Unobservable Inputs</u>	<u>Ranges</u>	<u>Weighted Average (a)</u>
Blackstone's Treasury Cash Management Strategies	\$ 26,167	Discounted Cash Flows	Default Rate	1.0%	N/A
			Recovery Rate	30.0% - 70.0%	66.0%
			Recovery Lag	12 months	N/A
			Pre-payment Rate	30.0%	N/A
			Reinvestment Rate	LIBOR + 450 bps	N/A
			Discount Rate	5.8% - 10.0%	7.2%
	54,257	Third Party Pricing	N/A	N/A	N/A
	4,470	Transaction Price	N/A	N/A	N/A
Loans and Receivables	26,247	Discounted Cash Flows	Discount Rate	10.5% - 12.2%	10.9%
	14,150	Transaction Price	N/A	N/A	N/A
Other Investments	11,887	Transaction Price	N/A	N/A	N/A
	92,604	Discounted Cash Flows	Discount Rate	1.3% -12.5%	2.9%
			Default Rate	2.0%	N/A
			Recovery Rate	30.0%-70.0%	66.0%
			Recovery Lag	12 months	N/A
			Pre-payment Rate	20.0%	N/A
			Reinvestment Rate	LIBOR + 400 bps	N/A
Total	<u>\$ 2,624,605</u>				
Financial Liabilities					
Liabilities of Consolidated CLO Vehicles	<u>\$ 6,797,104</u>	Discounted Cash Flows	Default Rate	2.0%	N/A
			Recovery Rate	30.0%-70.0%	66.0%
			Recovery Lag	12 months	N/A
			Pre-payment Rate	20.0%	N/A
			Discount Rate	0.3% - 19.3%	2.3%
			Reinvestment Rate	LIBOR + 400 bps	N/A

N/A Not applicable.

CAGR Compound annual growth rate.

EBITDA Earnings before interest, taxes, depreciation and amortization.

Exit Multiple Ranges include the last twelve months EBITDA, forward EBITDA and price/earnings exit multiples.

Third Party Pricing Third Party Pricing is generally determined on the basis of prices between market participants provided by reputable dealers or pricing services.

(a) Unobservable inputs were weighted based on the fair value of the investments included in the range.

The significant unobservable inputs used in the fair value measurement of the Blackstone's Treasury Cash Management Strategies, debt instruments, other investments and liabilities of consolidated CLO vehicles are discount rates, default rates, recovery rates, recovery lag, pre-payment rates and reinvestment rates. Increases (decreases) in any of the discount rates, default rates, recovery lag and pre-payment rates in isolation would result in a lower (higher) fair value measurement. Increases (decreases) in any of the recovery rates and reinvestment rates in isolation would result in a higher (lower) fair value measurement. Generally, a change in the assumption used for default rates may be accompanied by a directionally similar change in the assumption used for recovery lag and a directionally opposite change in the assumption used for recovery rates and pre-payment rates.

The significant unobservable inputs used in the fair value measurement of equity securities, partnership and LLC interests, debt instruments, assets of consolidated CLO vehicles and loans and receivables are discount rates, exit capitalization rates, exit multiples, EBITDA multiples and revenue compound annual growth rates. Increases (decreases) in any of discount rates and exit capitalization rates in isolation can result in a lower (higher) fair value measurement. Increases (decreases) in any of exit multiples and revenue compound annual growth rates in isolation can result in a higher (lower) fair value measurement.

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Notes to Consolidated Financial Statements—Continued

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Since December 31, 2014, there have been no changes in valuation techniques within Level II and Level III that have had a material impact on the valuation of financial instruments.

The following tables summarize the changes in financial assets and liabilities measured at fair value for which the Partnership has used Level III inputs to determine fair value and does not include gains or losses that were reported in Level III in prior years or for instruments that were transferred out of Level III prior to the end of the respective reporting period. Total realized and unrealized gains and losses recorded for Level III investments are reported in Investment Income (Loss) and Net Gains (Losses) from Fund Investment Activities in the Consolidated Statements of Operations.

	Level III Financial Assets at Fair Value							
	Year Ended December 31,							
	2015				2014			
	Investments of Consolidated Funds	Loans and Receivables	Other Investments (c)	Total	Investments of Consolidated Funds	Loans and Receivables	Other Investments (c)	Total
Balance, Beginning of Period (a)	\$ 2,394,823	\$ 40,397	\$ 189,385	\$ 2,624,605	\$ 2,460,907	\$ 137,788	\$ 44,774	\$ 2,643,469
Transfer In Due to Consolidation and Acquisition (d)	—	—	—	—	205,890	—	—	205,890
Transfer Out Due to Deconsolidation	(1,460,538)	—	—	(1,460,538)	(335,357)	—	—	(335,357)
Transfer In to Level III (b)	47,097	—	31,479	78,576	570,902	—	32,681	603,583
Transfer Out of Level III (b)	(195,422)	—	(58,158)	(253,580)	(358,406)	—	(48,282)	(406,688)
Purchases	328,237	233,693	47,978	609,908	910,440	192,568	193,367	1,296,375
Sales	(383,302)	(9,535)	(40,000)	(432,837)	(1,211,216)	(284,920)	(17,138)	(1,513,274)
Settlements	—	(4,435)	(465)	(4,900)	—	(1,170)	(522)	(1,692)
Changes in Gains (Losses) Included in Earnings and Other Comprehensive Income	43,497	1,874	(14,378)	30,993	151,663	(3,869)	(15,495)	132,299
Balance, End of Period	<u>\$ 774,392</u>	<u>\$ 261,994</u>	<u>\$ 155,841</u>	<u>\$ 1,192,227</u>	<u>\$ 2,394,823</u>	<u>\$ 40,397</u>	<u>\$ 189,385</u>	<u>\$ 2,624,605</u>
Changes in Unrealized Gains (Losses) Included in Earnings Related to Investments Still Held at the Reporting Date	<u>\$ (5,333)</u>	<u>\$ 1,745</u>	<u>\$ (3,624)</u>	<u>\$ (7,212)</u>	<u>\$ 43,450</u>	<u>\$ (4,048)</u>	<u>\$ (991)</u>	<u>\$ 38,411</u>

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	Level III Financial Liabilities at Fair Value Year Ended December 31,					
	2015			2014		
	Collateralized Loan Obligations Senior Notes	Collateralized Loan Obligations Subordinated Notes	Total	Collateralized Loan Obligations Senior Notes	Collateralized Loan Obligations Subordinated Notes	Total
Balance, Beginning of Period	\$ 6,448,352	\$ 348,752	\$ 6,797,104	\$ 8,302,572	\$ 610,435	\$ 8,913,007
Transfer In Due to Consolidation and Acquisition (d)	—	—	—	1,990,703	144,107	2,134,810
Transfer Out Due to Deconsolidation	(4,168,405)	(261,934)	(4,430,339)	(2,231,852)	(277,302)	(2,509,154)
Transfer Out Due to Amended CLO Guidance (e)	(2,279,947)	(86,818)	(2,366,765)	—	—	—
Issuances	—	—	—	557,780	10,000	567,780
Settlements	—	—	—	(1,807,845)	(703)	(1,808,548)
Changes in (Gains) Losses Included in Earnings and Other Comprehensive Income	—	—	—	(363,006)	(137,785)	(500,791)
Balance, End of Period	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,448,352</u>	<u>\$ 348,752</u>	<u>\$ 6,797,104</u>
Changes in Unrealized (Gains) Losses Included in Earnings Related to Liabilities Still Held at the Reporting Date	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 127,011</u>	<u>\$ (79,423)</u>	<u>\$ 47,588</u>

- (a) Beginning of period 2015 balances have been adjusted to remove investments for which fair value is based on NAV. Pursuant to amended fair value guidance, disclosure in the fair value hierarchy is no longer required.
- (b) Transfers in and out of Level III financial assets and liabilities were due to changes in the observability of inputs used in the valuation of such assets and liabilities.
- (c) Represents Blackstone's Treasury Cash Management Strategies and Other Investments.
- (d) Represents the transfer into Level III of financial assets and liabilities as a result of the consolidation of certain fund entities.
- (e) Transfers out due to amended CLO measurement guidance represents the transfer out of Level III for liabilities of consolidated CLO vehicles for which fair value is based on the more observable fair value of CLO assets. Such liabilities are classified as Level II within the fair value hierarchy.

9. VARIABLE INTEREST ENTITIES

Pursuant to GAAP consolidation guidance, the Partnership consolidates certain VIEs in which it is determined that the Partnership is the primary beneficiary either directly or indirectly, through a consolidated entity or affiliate. VIEs include certain private equity, real estate, credit-focused or funds of hedge funds entities and CLO vehicles. The purpose of such VIEs is to provide strategy specific investment opportunities for investors in exchange for management and performance based fees. The investment strategies of the Blackstone Funds differ by product; however, the fundamental risks of the Blackstone Funds have similar characteristics, including loss of invested capital and loss of management fees and performance based fees. In Blackstone's role as general partner, collateral manager or investment adviser, it generally considers itself the sponsor of the applicable Blackstone Fund. The Partnership does not provide performance guarantees and has no other financial obligation to provide funding to consolidated VIEs other than its own capital commitments.

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Notes to Consolidated Financial Statements—Continued

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The assets of consolidated variable interest entities may only be used to settle obligations of these consolidated Blackstone Funds. In addition, there is no recourse to the Partnership for the consolidated VIEs' liabilities including the liabilities of the consolidated CLO vehicles.

The Partnership holds variable interests in certain VIEs which are not consolidated as it is determined that the Partnership is not the primary beneficiary. The Partnership's involvement with such entities is in the form of direct equity interests and fee arrangements. The maximum exposure to loss represents the loss of assets recognized by Blackstone relating to non-consolidated entities, any amounts due to non-consolidated entities and any clawback obligation relating to previously distributed Carried Interest. The assets and liabilities recognized in the Partnership's Consolidated Statements of Financial Condition related to the Partnership's interest in these non-consolidated VIEs and the Partnership's maximum exposure to loss relating to non-consolidated VIEs were as follows:

	December 31,	
	2015	2014
Investments	\$ 466,651	\$ 776,079
Accounts Receivable	11,726	125,316
Due from Affiliates	51,029	53,751
Total VIE Assets	529,406	955,146
Due to Affiliates	586	108
Accounts Payable, Accrued Expenses and Other Liabilities	88	124
Potential Clawback Obligation	73,450	206,725
Maximum Exposure to Loss	<u>\$ 603,530</u>	<u>\$ 1,162,103</u>

10. REVERSE REPURCHASE AND REPURCHASE AGREEMENTS

At December 31, 2015, the Partnership received securities, primarily U.S. and non-U.S. government and agency securities, asset-backed securities and corporate debt, with a fair value of \$203.9 million as collateral for reverse repurchase agreements that could be repledged, delivered or otherwise used. Securities with a fair value of \$99.3 million were used to cover Securities Sold, Not Yet Purchased. The Partnership also pledged securities with a carrying value of \$64.5 million and cash to collateralize its repurchase agreements. Such securities can be repledged, delivered or otherwise used by the counterparty.

At December 31, 2014, the Partnership pledged securities with a carrying value of \$44.8 million and cash to collateralize its repurchase agreements. Such securities can be repledged, delivered or otherwise used by the counterparty.

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Notes to Consolidated Financial Statements—Continued

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The following table provides information regarding the Partnership's Repurchase Agreements obligation by type of collateral as of December 31, 2015:

	December 31, 2015				
	Remaining Contractual Maturity of the Agreements				
	Overnight and Continuous	Up to 30 Days	30 - 90 Days	Greater than 90 days	Total
Repurchase Agreements					
U.S. Treasury and Agency Securities	\$ 970	\$ —	\$ —	\$ —	\$ 970
Asset-Backed Securities	—	39,959	—	—	39,959
Total	<u>\$ 970</u>	<u>\$39,959</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$40,929</u>
Gross Amount of Recognized Liabilities for Repurchase Agreements in Note 12. “Offsetting of Assets and Liabilities”					<u>\$40,929</u>
Amounts Related to Agreements Not Included in Offsetting Disclosure in Note 12. “Offsetting of Assets and Liabilities”					\$ —

11. OTHER ASSETS AND ACCOUNTS PAYABLE, ACCRUED EXPENSES AND OTHER LIABILITIES

Other Assets consists of the following:

	December 31,	
	2015	2014
Furniture, Equipment and Leasehold Improvements	\$ 317,496	\$ 318,672
Less: Accumulated Depreciation	(181,953)	(182,932)
Furniture, Equipment and Leasehold Improvements, Net	135,543	135,740
Prepaid Expenses	190,241	102,503
Other Assets	46,786	82,704
Freestanding Derivatives	4,300	3,290
Net Investment Hedges	319	523
	<u>\$ 377,189</u>	<u>\$ 324,760</u>

Depreciation expense of \$26.0 million, \$28.6 million and \$33.6 million related to furniture, equipment and leasehold improvements for the years ended December 31, 2015, 2014 and 2013, respectively, is included in General, Administrative and Other in the Consolidated Statements of Operations.

Accounts Payable, Accrued Expenses and Other Liabilities includes \$53.7 million and \$97.8 million as of December 31, 2015 and 2014, respectively, relating to redemptions that were legally payable to investors of the consolidated Blackstone Funds and \$187.7 million and \$591.7 million, respectively, of payables relating to unsettled purchases.

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Notes to Consolidated Financial Statements—Continued
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12. OFFSETTING OF ASSETS AND LIABILITIES

The following tables present the offsetting of assets and liabilities as of December 31, 2015:

	Gross and Net Amounts of Assets Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments	Cash Collateral Received	Net Amount
Assets				
Net Investment Hedges	\$ 319	\$ 1	\$ —	\$ 318
Freestanding Derivatives	4,300	2,149	1,310	841
Reverse Repurchase Agreements	204,893	203,938	—	955
Total	<u>\$ 209,512</u>	<u>\$ 206,088</u>	<u>\$ 1,310</u>	<u>\$2,114</u>
	Gross and Net Amounts of Liabilities Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments	Cash Collateral Pledged	Net Amount
Liabilities				
Net Investment Hedges	\$ 1	\$ 1	\$ —	\$ —
Freestanding Derivatives	15,016	2,149	12,076	791
Repurchase Agreements	40,929	40,259	670	—
Total	<u>\$ 55,946</u>	<u>\$ 42,409</u>	<u>\$ 12,746</u>	<u>\$ 791</u>

The following tables present the offsetting of assets and liabilities as of December 31, 2014:

	Gross and Net Amounts of Assets Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments	Cash Collateral Received	Net Amount
Assets				
Net Investment Hedges	\$ 523	\$ —	\$ —	\$ 523
Freestanding Derivatives	3,290	1,132	352	1,806
Total	<u>\$ 3,813</u>	<u>\$ 1,132</u>	<u>\$ 352</u>	<u>\$2,329</u>
	Gross and Net Amounts of Liabilities Presented in the Statement of Financial Condition	Gross Amounts Not Offset in the Statement of Financial Condition		
		Financial Instruments	Cash Collateral Pledged	Net Amount
Liabilities				
Freestanding Derivatives	\$ 8,653	\$ 1,132	\$ 7,424	\$ 97
Repurchase Agreements	29,907	29,438	469	—
Total	<u>\$ 38,560</u>	<u>\$ 30,570</u>	<u>\$ 7,893</u>	<u>\$ 97</u>

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Reverse Repurchase Agreements and Repurchase Agreements are presented separately on the Statements of Financial Condition. Freestanding Derivative assets are included in Other Assets in the Statements of Financial Condition. See Note 11. “Other Assets and Accounts Payable, Accrued Expenses and Other Liabilities” for the components of Other Assets.

Freestanding Derivative liabilities are included in Accounts Payable, Accrued Expenses and Other Liabilities in the Statements of Financial Condition and are not a significant component thereof.

Notional Pooling Arrangement

Blackstone has a notional cash pooling arrangement with a financial institution for cash management purposes. This arrangement allows for cash withdrawals based upon aggregate cash balances on deposit at the same financial institution. Cash withdrawals cannot exceed aggregate cash balances on deposit. The net balance of cash on deposit and overdrafts is used as a basis for calculating net interest expense or income. As of December 31, 2015, the aggregate cash balance on deposit relating to the cash pooling arrangement was \$905.5 million, which was offset with an accompanying overdraft of \$895.9 million.

13. BORROWINGS

The Partnership borrows and enters into credit agreements for its general operating and investment purposes and certain Blackstone Funds borrow to meet financing needs of their operating and investing activities. Borrowing facilities have been established for the benefit of selected Blackstone Funds. When a Blackstone Fund borrows from the facility in which it participates, the proceeds from the borrowing are strictly limited for its intended use by the borrowing fund and not available for other Partnership purposes. The Partnership’s credit facilities consist of the following:

	December 31,					
	2015			2014		
	Credit Available	Borrowing Outstanding	Weighted Average Interest Rate	Credit Available	Borrowing Outstanding	Weighted Average Interest Rate
Revolving Credit Facility (a)	\$1,100,000	\$ 6,129	0.88%	\$ 1,100,000	\$ 689	0.88%
Blackstone Issued Senior Notes (b)						
6.625%, Due 8/15/2019 (c)	585,000	585,000	6.63%	585,000	585,000	6.63%
5.875%, Due 3/15/2021	400,000	400,000	5.88%	400,000	400,000	5.88%
4.750%, Due 2/15/2023	400,000	400,000	4.75%	400,000	400,000	4.75%
6.250%, Due 8/15/2042	250,000	250,000	6.25%	250,000	250,000	6.25%
5.000%, Due 6/15/2044	500,000	500,000	5.00%	500,000	500,000	5.00%
4.450%, Due 7/15/2045	350,000	350,000	4.45%	—	—	—
2.000%, Due 5/19/2025	327,990	327,990	2.00%	—	—	—
	3,912,990	2,819,119	5.11%	3,235,000	2,135,689	5.71%
Blackstone Fund Facilities (d)	4,453	4,453	1.97%	6,877	6,877	2.53%
CLO Vehicles (e)	3,914,326	3,914,326	1.94%	7,519,660	7,334,316	1.27%
	<u>\$7,831,769</u>	<u>\$6,737,898</u>	3.26%	<u>\$10,761,537</u>	<u>\$9,476,882</u>	2.27%

- (a) Blackstone, through indirect subsidiaries, has a \$1.1 billion unsecured revolving credit facility (the “Credit Facility”) with Citibank, N.A., as Administrative Agent with a maturity date of May 29, 2019. Interest on the

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borrowings is based on an adjusted LIBOR rate or alternate base rate, in each case plus a margin, and undrawn commitments bear a commitment fee. Borrowings may also be made in U.K. sterling or euros, in each case subject to certain sub-limits. The Credit Facility contains customary representations, covenants and events of default. Financial covenants consist of a maximum net leverage ratio and a requirement to keep a minimum amount of fee-earning assets under management, each tested quarterly. The Borrowing Outstanding at each date represent outstanding but undrawn letters of credit against the credit facility.

- (b) Blackstone Holdings Finance Co. L.L.C. (the “Issuer”), an indirect subsidiary of the Partnership, has issued long term borrowings in the form of senior notes (the “Notes”). The Notes are unsecured and unsubordinated obligations of the Issuer. The Notes are fully and unconditionally guaranteed, jointly and severally, by the Partnership, Blackstone Holdings, and the Issuer (the “Guarantors”). The guarantees are unsecured and unsubordinated obligations of the Guarantors. Transaction costs related to the issuance of the Notes have been capitalized and are being amortized over the life of the Notes. The indentures include covenants, including limitations on the Issuer’s and the Guarantors’ ability to, subject to exceptions, incur indebtedness secured by liens on voting stock or profit participating equity interests of their subsidiaries or merge, consolidate or sell, transfer or lease assets. The indentures also provide for events of default and further provide that the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding Notes may declare the Notes immediately due and payable upon the occurrence and during the continuance of any event of default after expiration of any applicable grace period. In the case of specified events of bankruptcy, insolvency, receivership or reorganization, the principal amount of the Notes and any accrued and unpaid interest on the Notes automatically become due and payable. All or a portion of the Notes may be redeemed at the Issuer’s option in whole or in part, at any time and from time to time, prior to their stated maturity, at the make-whole redemption price set forth in the Notes. If a change of control repurchase event occurs, the holders of the Notes may require the Issuer to repurchase the Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase. Interest expense on the Notes was \$136.5 million, \$115.2 million and \$96.9 million for the years ended December 31, 2015, December 31, 2014 and December 31, 2013, respectively.
- (c) The Credit Available and Borrowing Outstanding are determined using the original \$600 million par amount less \$15 million attributable to these notes which were acquired but not retired by Blackstone during 2012.
- (d) Represents borrowing facilities for the various consolidated Blackstone Funds used to meet liquidity and investing needs. Certain borrowings under these facilities were used for bridge financing and general liquidity purposes. Other borrowings were used to finance the purchase of investments with the borrowing remaining in place until the disposition or refinancing event. Such borrowings have varying maturities and are rolled over until the disposition or a refinancing event. Because the timing of such events is unknown and may occur in the near term, these borrowings are considered short-term in nature. Borrowings bear interest at spreads to market rates. Borrowings were secured according to the terms of each facility and are generally secured by the investment purchased with the proceeds of the borrowing and/or the uncalled capital commitment of each respective fund. Certain facilities have commitment fees. When a fund borrows, the proceeds are available only for use by that fund and are not available for the benefit of other funds. Collateral within each fund is also available only against the borrowings by that fund and not against the borrowings of other funds.
- (e) Represents borrowings due to the holders of debt securities issued by CLO vehicles consolidated by Blackstone. These amounts are included within Loans Payable and Due to Affiliates within the Consolidated Statements of Financial Condition.

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The following table presents the general characteristics of each of our Notes, as well as their carrying value and fair value. The Notes are included in Loans Payable within the Consolidated Statements of Financial Condition. All of the Notes were issued at a discount. All of the Notes accrue interest from the Issue Date and all pay interest in arrears on a semi-annual basis or annual basis as indicated by the Interest Payment Dates.

	Issue Date	Interest Payment Dates	First Interest Payment Date	December 31,			
				2015		2014	
Senior Notes				Carrying Value	Fair Value (a)	Carrying Value (b)	Fair Value (a)
6.625%, Due 8/15/2019 (c)	8/20/2009	2/15, 8/15	2/15/2010	\$614,996	\$665,438	\$622,552	\$684,158
5.875%, Due 3/15/2021	9/15/2010	3/15, 9/15	3/15/2011	\$397,720	\$458,680	\$397,357	\$462,360
4.750%, Due 2/15/2023	8/17/2012	2/15, 9/15	2/15/2013	\$392,224	\$430,560	\$391,344	\$436,240
6.250%, Due 8/15/2042	8/17/2012	2/15, 9/15	2/15/2013	\$237,648	\$297,575	\$237,487	\$307,125
5.000%, Due 6/15/2044	4/7/2014	6/15, 12/15	12/15/2014	\$488,119	\$515,050	\$487,966	\$527,500
4.450%, Due 7/15/2045	4/27/2015	1/15, 7/15	1/15/2016	\$343,689	\$332,640	\$ —	\$ —
2.000%, Due 5/19/2025	5/19/2015	5/19	5/19/2016	\$322,664	\$327,465	\$ —	\$ —

- (a) Fair value is determined by broker quote and these notes would be classified as Level II within the fair value hierarchy.
- (b) The carrying value has been adjusted to reflect the presentation of debt issuance costs as a direct deduction from the related liability for all periods presented in accordance with amended guidance on simplifying the presentation of such costs.
- (c) The carrying and fair values are determined using the original \$600 million par amount less \$15 million attributable to these notes which were acquired but not retired by Blackstone during 2012.

Included within Loans Payable and Due to Affiliates within the Consolidated Statements of Financial Condition are amounts due to holders of debt securities issued by Blackstone's consolidated CLO vehicles. Borrowings through the consolidated CLO vehicles consisted of the following:

	December 31,			December 31,		
	2015		Weighted Average Remaining Maturity in Years	2014		Weighted Average Remaining Maturity in Years
	Borrowing Outstanding	Weighted Average Interest Rate		Borrowing Outstanding	Weighted Average Interest Rate	
Senior Secured Notes	\$3,687,976	1.93%	5.4	\$6,594,266	1.27%	3.8
Subordinated Notes	226,350(a)		N/A	740,050(a)		N/A
	<u>\$3,914,326</u>			<u>\$7,334,316</u>		

- (a) The Subordinated Notes do not have contractual interest rates but instead receive distributions from the excess cash flows of the CLO vehicles.

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Senior Secured Notes and Subordinated Notes comprise the following amounts:

	December 31,					
	2015			2014		
	Amounts Due to Non-Consolidated Affiliates			Amounts Due to Non-Consolidated Affiliates		
	Fair Value	Borrowing Outstanding	Fair Value	Fair Value	Borrowing Outstanding	Fair Value
Senior Secured Notes	\$3,225,064	\$ —	\$ —	\$6,448,352	\$ 2,500	\$ 2,504
Subordinated Notes	\$ 98,371	\$ 10,000	\$8,231	\$ 348,752	\$ 24,200	\$14,377

The Loans Payable of the consolidated CLO vehicles are collateralized by assets held by each respective CLO vehicle and assets of one vehicle may not be used to satisfy the liabilities of another. As of December 31, 2015 and 2014, the fair value of the consolidated CLO assets was \$3.9 billion and \$8.0 billion, respectively. This collateral consisted of Cash, Corporate Loans, Corporate Bonds and other securities.

As part of Blackstone's borrowing arrangements, the Partnership is subject to certain financial and operating covenants. The Partnership was in compliance with all of its loan covenants as of December 31, 2015.

Scheduled principal payments for borrowings at December 31, 2015 are as follows:

	Operating Borrowings	Blackstone Fund Facilities / CLO Vehicles	Total Borrowings
2016	\$ —	\$ 4,453	\$ 4,453
2017	—	519,318	519,318
2018	—	—	—
2019	585,000	—	585,000
2020	—	—	—
Thereafter	2,227,990	3,395,008	5,622,998
Total	<u>\$2,812,990</u>	<u>\$ 3,918,779</u>	<u>\$ 6,731,769</u>

14. INCOME TAXES

Income Before Provision for Taxes of \$1.8 billion for the year ended December 31, 2015 is comprised of \$1.8 billion U.S. domestic income and \$59.8 million foreign income.

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The Provision for Taxes consists of the following:

	Year Ended December 31,		
	2015	2014	2013
Current			
Federal Income Tax	\$ 45,506	\$ 135,193	\$ 19,237
Foreign Income Tax	16,769	24,199	13,302
State and Local Income Tax	28,137	69,281	33,273
	<u>90,412</u>	<u>228,673</u>	<u>65,812</u>
Deferred			
Federal Income Tax	80,307	54,375	157,962
Foreign Income Tax	(398)	(416)	(638)
State and Local Income Tax	20,077	8,541	32,506
	<u>99,986</u>	<u>62,500</u>	<u>189,830</u>
Provision for Taxes	<u>\$ 190,398</u>	<u>\$ 291,173</u>	<u>\$ 255,642</u>

The following table summarizes Blackstone's tax position:

	Year Ended December 31,		
	2015	2014	2013
Income Before Provision for Taxes	\$ 1,814,748	\$ 3,986,726	\$ 3,148,561
Provision for Taxes	\$ 190,398	\$ 291,173	\$ 255,642
Effective Income Tax Rate	10.5%	7.3%	8.1%

The following table reconciles the effective income tax rate to the U.S. federal statutory tax rate:

	Year Ended December 31,		
	2015	2014	2013
Statutory U.S. Federal Income Tax Rate	35.0%	35.0%	35.0%
Income Passed Through to Common Unitholders and Non-Controlling Interest Holders (a)	-22.3%	-28.7%	-28.7%
Interest Expense	-4.0%	-0.5%	-0.9%
Foreign Income Taxes	-0.1%	-0.3%	-0.2%
State and Local Income Taxes	1.8%	1.5%	1.7%
Equity-Based Compensation	1.8%	1.1%	1.6%
Change in Tax Rate	—	—	0.6%
Net Unrecognized Tax Benefits	-0.2%	0.1%	-0.2%
Non Deductible Expenses	0.2%	0.2%	—
Tax Deductible Compensation	-1.5%	-0.4%	-0.3%
Other	-0.2%	-0.7%	-0.5%
Effective Income Tax Rate (b)	<u>10.5%</u>	<u>7.3%</u>	<u>8.1%</u>

- (a) Includes income that is not taxable to the Partnership and its subsidiaries. Such income is directly taxable to the Partnership's unitholders and the non-controlling interest holders.
- (b) The effective tax rate is calculated on Income (Loss) Before Provision for Taxes.

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In 2013, a subsidiary of the Partnership received Letter Rulings allowing the application of New York State and New York City laws that prescribe the sourcing of income of a registered securities or commodities broker resulting in a reduction to the rate of tax for 2013 and the rate of tax that Blackstone will pay in the future.

Deferred income taxes reflect the net tax effects of temporary differences that may exist between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes using enacted tax rates in effect for the year in which the differences are expected to reverse. A summary of the tax effects of the temporary differences is as follows:

	December 31,	
	2015	2014
Deferred Tax Assets		
Fund Management Fees	\$ 16,357	\$ 21,607
Equity-Based Compensation	57,552	56,783
Unrealized Gains from Investments	—	(119,428)
Depreciation and Amortization	1,326,395	1,314,570
Net Operating Loss Carry Forward	15,874	—
Other	—	(21,302)
Total Deferred Tax Assets	<u>1,416,178</u>	<u>1,252,230</u>
Deferred Tax Liabilities		
Unrealized Gains from Investments	105,830	—
Other	32,919	—
Depreciation and Amortization	—	10
Total Deferred Tax Liabilities	<u>138,749</u>	<u>10</u>
Net Deferred Tax Assets	<u><u>\$ 1,277,429</u></u>	<u><u>\$ 1,252,220</u></u>

As a result of the October 1, 2015 spin-off, the net deferred tax assets were reduced by \$70.8 million.

Future realization of tax benefits depends on the expectation of taxable income within a period of time that the tax benefits will reverse. The Partnership has recorded a significant deferred tax asset for the future amortization of tax basis intangibles acquired from the predecessor owners and current owners. The amortization period for these tax basis intangibles is 15 years; accordingly, the related deferred tax assets will reverse over the same period. The Partnership had a taxable loss of \$46.3 million for the year ended December 31, 2015, which is available for carryback to 2013 or carryforward to 2016. The Partnership has considered the 15 year amortization period for the tax basis intangibles and the 20 year carryforward period for its taxable loss in evaluating whether it should establish a valuation allowance.

The Partnership also considers projections of taxable income in evaluating its ability to utilize deferred tax assets. In projecting its taxable income, the Partnership begins with historic results and incorporates assumptions of the amount of future pretax operating income. The assumptions about future taxable income require significant judgment and are consistent with the plans and estimates that the Partnership uses to manage its business. At this time, the Partnership's projections of future taxable income that include the effects of originating and reversing temporary differences, including those for the tax basis intangibles, indicate that it is more likely than not that the benefits from the deferred tax asset will be realized. Therefore, the Partnership has determined that no valuation allowance is needed at December 31, 2015.

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Currently, the Partnership does not believe it meets the indefinite reversal criteria that would cause the Partnership to not recognize a deferred tax liability with respect to its foreign subsidiaries. Where applicable, Blackstone will record a deferred tax liability for any outside basis difference of an investment in a foreign subsidiary.

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 December 31, 2015, Blackstone's U.S. federal income tax returns for the years 2012 through 2014 are open under the normal three-year statute of limitations and therefore subject to examination. The Internal Revenue Service completed an examination of a corporate subsidiary's 2012 U.S. federal income tax return with no change. State and local tax returns are generally subject to audit from 2011 through 2014. The State of New York completed an examination of the tax returns filed by a subsidiary for the years 2010 through 2011 with no change. The City of New York is examining certain other subsidiaries' tax returns for the years 2007 through 2011. The Income Tax Department of the Government of India recently completed an audit of an Indian subsidiary's 2012 tax return with no change and is examining the tax returns of the Indian subsidiaries for the years 2008 and 2009. Blackstone believes that during 2016 certain tax audits have a reasonable possibility of being completed and does not expect the results of these audits to have a material impact on the consolidated financial statements.

Blackstone's unrecognized tax benefits, excluding related interest and penalties, were:

	December 31,		
	2015	2014	2013
Unrecognized Tax Benefits — January 1	\$19,836	\$18,862	\$ 30,742
Additions based on Tax Positions Related to Current Year	1,031	2,104	6,517
Additions for Tax Positions of Prior Years	—	4,002	3,435
Reductions for Tax Positions of Prior Years	(4,032)	(2,503)	(17,686)
Settlements	—	(1,062)	(3,538)
Exchange Rate Fluctuations	(1,137)	(1,567)	(608)
Unrecognized Tax Benefits — December 31	<u>\$15,698</u>	<u>\$19,836</u>	<u>\$ 18,862</u>

If the above tax benefits were recognized, \$15.7 million and \$19.8 million for the years ended December 31, 2015 and 2014, respectively, would reduce the annual effective rate. Blackstone does not believe that it will have a material increase or decrease in its unrecognized tax benefits during the coming year.

The unrecognized tax benefits are recorded in Accounts Payable, Accrued Expense and Other Liabilities in the Consolidated Statements of Financial Condition.

Blackstone recognizes interest and penalties accrued related to unrecognized tax positions in General, Administrative and Other Expense. During the year ended December 31, 2015, \$(0.4) million of interest expense and no penalties were accrued. During the year ended December 31, 2014, \$2.0 million of interest expense and no penalties were accrued. During the year ended December 31, 2013, \$1.0 million of interest expense and no penalties were accrued.

Other Income — Reversal of the Tax Receivable Agreement Liability

In 2015, the \$82.7 million Reversal of the Tax Receivable Agreement Liability was primarily attributable to the October 1, 2015 spin-off. In 2013, the \$20.5 million Reversal of the Tax Receivable Agreement Liability resulted from the change in New York State's and New York City's laws regarding the sourcing of income.

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15. NET INCOME PER COMMON UNIT

Basic and diluted net income per common unit for the years ended December 31, 2015, 2014 and 2013 was calculated as follows:

	Year Ended December 31,		
	2015	2014	2013
Net Income for Per Common Unit Calculations			
Net Income Attributable to The Blackstone Group L.P., Basic	\$ 709,789	\$ 1,584,589	\$ 1,171,202
Incremental Net Income from Assumed Exchange of Blackstone Holdings Partnership Units	524,353	—	—
Net Income Attributable to The Blackstone Group L.P., Diluted	<u>\$ 1,234,142</u>	<u>\$ 1,584,589</u>	<u>\$ 1,171,202</u>
Units Outstanding			
Weighted-Average Common Units Outstanding, Basic	634,337,179	608,803,111	587,018,828
Weighted-Average Unvested Deferred Restricted Common Units	2,993,398	4,373,294	3,527,812
Weighted-Average Blackstone Holdings Partnership Units	550,754,834	—	—
Weighted-Average Common Units Outstanding, Diluted	<u>1,188,085,411</u>	<u>613,176,405</u>	<u>590,546,640</u>
Net Income Per Common Unit, Basic	<u>\$ 1.12</u>	<u>\$ 2.60</u>	<u>\$ 2.00</u>
Net Income Per Common Unit, Diluted	<u>\$ 1.04</u>	<u>\$ 2.58</u>	<u>\$ 1.98</u>
Distributions Declared Per Common Unit (a)	<u>\$ 2.90</u>	<u>\$ 1.92</u>	<u>\$ 1.18</u>

- (a) Distributions declared reflects the calendar date of declaration for each distribution. The fourth quarter distribution, if any, for any fiscal year will be declared and paid in the subsequent fiscal year.

The following table summarizes the anti-dilutive securities for the periods indicated:

	Year Ended December 31,		
	2015	2014	2013
Weighted-Average Blackstone Holdings Partnership Units	—	542,553,088	553,579,525

Unit Repurchase Program

In January 2008, Blackstone announced that the Board of Directors of its general partner, Blackstone Group Management L.L.C., had authorized the repurchase by Blackstone of up to \$500 million of Blackstone common units and Blackstone Holdings Partnership Units. Under this unit repurchase program, units may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of Blackstone common units and Blackstone Holdings Partnership Units repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. This unit repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

During the years ended December 31, 2015, 2014 and 2013, no units were repurchased. As of December 31, 2015, the amount remaining available for repurchases under this program was \$335.8 million.

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16. EQUITY-BASED COMPENSATION

The Partnership has granted equity-based compensation awards to Blackstone’s senior managing directors, non-partner professionals, non-professionals and selected external advisers under the Partnership’s 2007 Equity Incentive Plan (the “Equity Plan”), the majority of which to date were granted in connection with Blackstone’s initial public offering (“IPO”). 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) which may contain certain service or performance requirements. As of January 1, 2015, the Partnership had the ability to grant 165,943,809 units under the Equity Plan.

For the years ended December 31, 2015, 2014 and 2013 the Partnership recorded compensation expense of \$629.6 million, \$734.7 million, and \$855.1 million, respectively, in relation to its equity-based awards with corresponding tax benefits of \$41.0 million, \$23.1 million, and \$33.3 million, respectively.

As of December 31, 2015, there was \$1.0 billion of estimated unrecognized compensation expense related to unvested awards. This cost is expected to be recognized over a weighted-average period of 5.2 years.

Total vested and unvested outstanding units, including Blackstone common units, Blackstone Holdings Partnership Units and deferred restricted common units, were 1,191,126,830 as of December 31, 2015. Total outstanding unvested phantom units were 39,296 as of December 31, 2015.

A summary of the status of the Partnership’s unvested equity-based awards as of December 31, 2015 and of changes during the period January 1, 2015 through December 31, 2015 is presented below:

	Blackstone Holdings		The Blackstone Group L.P.			
	Partnership Units	Weighted- Average Grant Date Fair Value	Equity Settled Awards		Cash Settled Awards	
			Deferred Restricted Common Units	Weighted- Average Grant Date Fair Value	Phantom Units	Weighted- Average Grant Date Fair Value
Unvested Units						
Balance, December 31, 2014	33,498,237	\$ 26.19	17,569,372	\$ 16.95	1,455	\$ 31.95
Granted	28,861,922	37.91	5,655,007	32.98	16,928	34.03
Vested	(19,845,114)	29.48	(7,942,152)	17.62	(815)	32.62
Exchanged	—	—	(10,374)	28.23	10,374	28.23
Forfeited	(1,613,290)	23.31	(929,724)	24.82	—	—
Balance, December 31, 2015	<u>40,901,755</u>	\$ 32.98	<u>14,342,129</u>	\$ 22.38	<u>27,942</u>	\$ 28.79

Units Expected to Vest

The following unvested units, after expected forfeitures, as of December 31, 2015, are expected to vest:

	Units	Weighted-Average Service Period in Years
Blackstone Holdings Partnership Units	33,675,366	4.4
Deferred Restricted Blackstone Common Units	12,386,848	1.9
Total Equity-Based Awards	<u>46,062,214</u>	<u>3.7</u>
Phantom Units	<u>19,495</u>	<u>3.8</u>

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Deferred Restricted Common Units and Phantom Units

The Partnership has granted deferred restricted common units to certain senior and non-senior managing director professionals, analysts and senior finance and administrative personnel and selected external advisers and phantom units (cash settled equity-based awards) to other senior and 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.

The fair values of deferred restricted common units have been derived based on the closing price of Blackstone's common units on the date of the grant, multiplied by the number of unvested awards and expensed over the assumed service period, which ranges from 1 to 9 years. Additionally, the calculation of the compensation expense assumes forfeiture rates based upon historical turnover rates, ranging from 1.0% to 12.2% annually by employee class, and a per unit discount, ranging from \$0.01 to \$7.56. In most cases, the Partnership will not make any distributions with respect to unvested deferred restricted common units. However, there are certain grantees who receive distributions on both vested and unvested deferred restricted common units.

The phantom units vest over the assumed service period, which ranges from 1 to 6 years. On each such vesting date, Blackstone delivered or will deliver cash to the holder in an amount equal to the number of phantom units held multiplied by the then fair market value of the Blackstone common units on such date. Additionally, the calculation of the compensation expense assumes forfeiture rates based upon historical turnover rates, ranging from 6.9% to 12.2% annually by employee class. Blackstone is accounting for these cash settled awards as a liability.

Blackstone paid \$1.1 million, \$1.1 million and \$0.6 million to non-senior managing director employees in settlement of phantom units for the years ended December 31, 2015, 2014 and 2013, respectively.

Blackstone Holdings Partnership Units

At the time of the Reorganization, Blackstone's predecessor owners and selected advisers received 827,516,625 Blackstone Holdings Partnership Units, of which 387,805,088 were vested and 439,711,537 were to vest over a period of up to eight years from the IPO date. Subsequent to the Reorganization, the Partnership has granted Blackstone Holdings Partnership Units to newly hired senior managing directors. The Partnership has accounted for the unvested Blackstone Holdings Partnership Units as compensation expense over the vesting period. The fair values have been derived based on the closing price of Blackstone's common units on the date of the grant, or \$31 (based on the initial public offering price per Blackstone common unit) for those units issued at the time of the Reorganization, multiplied by the number of unvested awards and expensed over the assumed service period which ranges from 1 to 9 years. Additionally, the calculation of the compensation expense assumes a forfeiture rate of up to 12.2%, based on historical experience.

In November 2009, the Partnership modified equity awards issued in connection with a deferred compensation plan to, among other things: (a) provide that deferred compensation payment to participating employees and senior managing directors generally would be satisfied by delivery of Blackstone common units instead of delivery of Partnership Units, (b) delay the delivery of common units (following the applicable vesting dates) until anticipated trading window periods, to better facilitate participants' liquidity to meet tax obligations and (c) ensure compliance with deferred compensation taxation rules. As the fair value of Partnership Units on grant date is based on the closing price of Blackstone common units, there were no change in fair value of these awards as a result of the modification. As a result, there was no additional impact to compensation expense.

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Equity-Based Awards with Performance Conditions

The Partnership has also granted certain equity-based awards with performance requirements. These awards are based on the performance of certain businesses over a four year period beginning August 2013, relative to a predetermined threshold. Blackstone has determined that it is probable that the relevant performance thresholds will be exceeded in future periods and, therefore, has recorded compensation expense since the beginning of the performance period of \$3.8 million.

17. RELATED PARTY TRANSACTIONS

Affiliate Receivables and Payables

Due from Affiliates and Due to Affiliates consisted of the following:

	December 31,	
	2015	2014
Due from Affiliates		
Accrual for Potential Clawback of Previously Distributed Carried Interest	\$ 1,686	\$ 2,518
Advances Made on Behalf of Certain Non-Controlling Interest Holders and Blackstone Employees Principally for Investments in Blackstone Funds	331,558	253,597
Amounts Due from Portfolio Companies and Funds	319,758	372,820
Investments Redeemed in Non-Consolidated Funds of Hedge Funds	5,931	32,020
Management and Performance Fees Due from Non-Consolidated Funds	403,538	355,657
Payments Made on Behalf of Non-Consolidated Entities	178,326	111,796
	<u>\$ 1,240,797</u>	<u>\$ 1,128,408</u>
	December 31,	
	2015	2014
Due to Affiliates		
Due to Certain Non-Controlling Interest Holders in Connection with the Tax Receivable Agreements	\$ 1,201,543	\$ 1,234,890
Accrual for Potential Repayment of Previously Received Performance Fees	3,356	3,889
Due to Note Holders of Consolidated CLO Vehicles	8,231	16,881
Distributions Received on Behalf of Certain Non-Controlling Interest Holders and Blackstone Employees	26,593	21,266
Payable to Affiliates for Consolidated Funds	—	22,447
Distributions Received on Behalf of Blackstone Entities	33,160	176,304
Payments Made by Non-Consolidated Entities	9,817	14,411
	<u>\$ 1,282,700</u>	<u>\$ 1,490,088</u>

Interests of the Founder, Senior Managing Directors, Employees and Other Related Parties

The founder, senior managing directors, employees and certain other related parties invest on a discretionary basis in the consolidated Blackstone Funds both directly and through consolidated entities. These investments generally are subject to preferential management fee and performance fee arrangements. As of December 31, 2015 and 2014, such investments aggregated \$746.3 million and \$1.0 billion, respectively. Their share of the Net Income Attributable to Redeemable Non-Controlling and Non-Controlling Interests in Consolidated Entities aggregated

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\$49.0 million, \$176.0 million and \$224.7 million for the years ended December 31, 2015, 2014 and 2013, respectively.

Revenues Earned from Affiliates

Management and Advisory Fees, Net earned from affiliates totaled \$210.7 million, \$327.1 million and \$253.9 million for the years ended December 31, 2015, 2014 and 2013, respectively. Fees relate primarily to transaction and monitoring fees which are negotiated in the ordinary course of fundraising and investment activities.

Advances Made on Behalf of Certain Non-Controlling Interest Holders and Blackstone Employees

Advances Made on Behalf of Certain Non-Controlling Interest Holders and Blackstone Employees Principally for Investments in Blackstone Funds includes interest-bearing advances to certain Blackstone individuals to finance their investments in certain Blackstone Funds. These advances earn interest at Blackstone's cost of borrowing and such interest totaled \$5.0 million, \$2.9 million and \$3.4 million for the years ended December 31, 2015, 2014 and 2013, respectively.

Contingent Repayment Guarantee

Blackstone and its personnel who have received Carried Interest distributions have guaranteed payment on a several basis (subject to a cap) to the Carry Funds of any 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 either Blackstone or its personnel fails to fulfill its clawback obligation, if any. The Accrual for Potential Repayment of Previously Received Performance Fees represents amounts previously paid to Blackstone Holdings and non-controlling interest holders that would need to be repaid to the Blackstone Funds if the Carry Funds were to be liquidated based on the fair value of their underlying investments as of December 31, 2015. See Note 18. "Commitments and Contingencies — Contingencies — Contingent Obligations (Clawback)".

Aircraft and Other Services

In the normal course of business, Blackstone personnel make use of aircraft owned as personal assets by Stephen A. Schwarzman; an aircraft owned jointly as a personal asset by Hamilton E. James, Blackstone's President and Chief Operating Officer, and Jonathan D. Gray, Blackstone's Global Head of Real Estate and a Director of Blackstone; and an aircraft owned jointly as a personal asset by Bennett J. Goodman, Co-Founder of GSO Capital and a Director of Blackstone, and another senior managing director (each such aircraft, "Personal Aircraft"). Mr. Schwarzman paid for his purchases of his Personal Aircraft himself. Each of Mr. James and Mr. Gray paid for his respective interest in their jointly owned Personal Aircraft. Mr. Goodman paid for his interest in his jointly owned Personal Aircraft. Mr. Schwarzman, Mr. James, Mr. Gray and Mr. Goodman respectively bear operating, personnel and maintenance costs associated with the operation of such Personal Aircraft. Payment by Blackstone for the use of the Personal Aircraft by Blackstone employees is made based on market rates.

In addition, on occasion, certain of Blackstone's executive officers and employee directors and their families may make use of aircraft owned by Blackstone or in which Blackstone owns a fractional interest, as well as other assets of Blackstone. Any such personal use of Blackstone assets is charged to the executive officer or employee director based on market rates and usage. Personal use of Blackstone resources is also reimbursed to Blackstone based on market rates.

The transactions described herein are not material to the Consolidated Financial Statements.

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Tax Receivable Agreements

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 Blackstone Holdings Partnership Units may 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 and therefore reduce the amount of tax that Blackstone's wholly owned subsidiaries would otherwise be required to pay in the future.

One of the subsidiaries of the Partnership which is a corporate taxpayer has entered into tax receivable agreements with each of the predecessor owners and additional tax receivable agreements have been executed, and will continue to be executed, with newly-admitted senior managing directors and others who acquire Blackstone Holdings Partnership Units. The agreements provide for the payment by the corporate taxpayer 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 as a result of the aforementioned increases in tax basis and of certain other tax benefits related to entering into these tax receivable agreements. For purposes of the tax receivable agreements, 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 agreements.

Primarily, as a result of the October 1, 2015 spin-off, there was a reduction of \$82.7 million of the tax receivable agreement liability due to pre-IPO owners and the others mentioned above. Assuming no future 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 agreements (which are taxable to the recipients) will aggregate \$1.2 billion over the next 15 years. The after-tax net present value of these estimated payments totals \$402.4 million assuming a 15% discount rate and using Blackstone's most recent projections relating to the estimated timing of the benefit to be received. Future payments under the tax receivable agreements in respect of subsequent exchanges would be in addition to these amounts. The payments under the tax receivable agreements are not conditioned upon continued ownership of Blackstone equity interests by the pre-IPO owners and the others mentioned above. Subsequent to December 31, 2015, payments totaling \$79.0 million were made to certain pre-IPO owners and others mentioned above in accordance with the tax receivable agreement and related to tax benefits the Partnership received for the 2014 taxable year.

Amounts related to the deferred tax asset resulting from the increase in tax basis from the exchange of Blackstone Holdings Partnership Units to Blackstone common units, the resulting remeasurement of net deferred tax assets at the Blackstone ownership percentage at the balance sheet date, the due to affiliates for the future payments resulting from the tax receivable agreements and resulting adjustment to partners' capital are included as Acquisition of Ownership Interests from Non-Controlling Interest Holders in the Supplemental Disclosure of Non-Cash Investing and Financing Activities in the Consolidated Statements of Cash Flows.

Other

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

Additionally, please see Note 18. "Commitments and Contingencies — Contingencies — Guarantees" for information regarding guarantees provided to a lending institution for certain loans held by employees.

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The Partnership leases office space under non-cancelable lease and sublease agreements, which expire on various dates through 2032. Occupancy lease agreements, in addition to base rentals, generally are subject to escalation provisions based on certain costs incurred by the landlord, and are recognized on a straight-line basis over the term of the lease agreement. Rent expense includes base contractual rent and variable costs such as building expenses, utilities, taxes and insurance. Rent expense for the years ended December 31, 2015, 2014 and 2013, was \$112.0 million, \$97.2 million and \$78.6 million, respectively. At December 31, 2015 and 2014, the Partnership maintained irrevocable standby letters of credit and cash deposits as security for the leases of \$15.7 million and \$8.5 million, respectively. As of December 31, 2015, the aggregate minimum future payments, net of sublease income, required on the operating leases are as follows:

2016	\$ 75,076
2017	74,629
2018	72,207
2019	67,579
2020	63,407
Thereafter	490,835
Total	\$843,733

Investment Commitments

Blackstone had \$2.0 billion of investment commitments as of December 31, 2015 representing general partner capital funding commitments to the Blackstone Funds, limited partner capital funding to other funds and Blackstone principal investment commitments. The consolidated Blackstone Funds had signed investment commitments of \$48.6 million as of December 31, 2015 which includes \$31.6 million of signed investment commitments for portfolio company acquisitions in the process of closing.

Contingencies*Guarantees*

Certain of Blackstone's consolidated real estate funds guarantee payments to third parties in connection with the on-going business activities and/or acquisitions of their Portfolio Companies. There is no direct recourse to the Partnership to fulfill such obligations. To the extent that underlying funds are required to fulfill guarantee obligations, the Partnership's invested capital in such funds is at risk. Total investments at risk in respect of guarantees extended by consolidated real estate funds was \$21.5 million as of December 31, 2015.

The Blackstone Holdings Partnerships provided guarantees to a lending institution for certain loans held by employees either for investment in Blackstone Funds or for members' capital contributions to Blackstone International Partners LLP. The amount guaranteed as of December 31, 2015 was \$126.2 million.

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Litigation

From time to time, Blackstone is named as a defendant in legal actions relating to transactions conducted in the ordinary course of business. Although there can be no assurance of the outcome of such legal actions, in the opinion of management, Blackstone does not have a potential liability related to any current legal proceeding or claim that would individually or in the aggregate materially affect its results of operations, financial position or cash flows.

Contingent Obligations (Clawback)

Carried Interest is subject to clawback to the extent that the Carried Interest received to date with respect to a fund exceeds the amount due to Blackstone based on cumulative results of that fund. The actual clawback liability, however, generally does not become realized until the end of a fund's life except for certain Blackstone real estate funds, multi-asset class investment funds and credit-focused funds, which may have an interim clawback liability. The lives of the carry funds, including available contemplated extensions, for which a liability for potential clawback obligations has been recorded for financial reporting purposes, are currently anticipated to expire at various points through 2028. Further extensions of such terms may be implemented under given circumstances. If, at December 31, 2015, all of the investments held by the carry funds were deemed worthless, a possibility that management views as remote, the amount of carried interest subject to potential clawback would be \$4.4 billion, on an after tax basis where applicable, of which \$4.1 billion related to Blackstone Holdings and \$370.5 million related to current and former Blackstone personnel.

For financial reporting purposes, the general partners have recorded a liability for potential clawback obligations to the limited partners of some of the carry funds due to changes in the unrealized value of a fund's remaining investments and where the fund's general partner has previously received Carried Interest distributions with respect to such fund's realized investments.

The following table presents the clawback obligations by segment:

Segment	December 31,					
	2015			2014		
	Blackstone Holdings	Current and Former Personnel	Total	Blackstone Holdings	Current and Former Personnel	Total
Real Estate	\$ —	\$ —	\$ —	\$ 130	\$ 1,647	\$ 1,777
Credit	1,670	1,686	3,356	1,241	871	2,112
Total	<u>\$ 1,670</u>	<u>\$ 1,686</u>	<u>\$ 3,356</u>	<u>\$ 1,371</u>	<u>\$ 2,518</u>	<u>\$ 3,889</u>

A portion of the Carried Interest paid to current and former Blackstone personnel is held in segregated accounts in the event of a cash clawback obligation. These segregated accounts are not included in the Consolidated Financial Statements of the Partnership, except to the extent a portion of the assets held in the segregated accounts may be allocated to a consolidated Blackstone fund of hedge funds. At December 31, 2015, \$582.7 million was held in segregated accounts for the purpose of meeting any clawback obligations of current and former personnel if such payments are required.

19. EMPLOYEE BENEFIT PLANS

The Partnership provides a 401(k) plan (the "Plan") for eligible employees in the United States. For certain administrative employees who are eligible for participation in the Plan, the Partnership makes a non-elective

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contribution of 2% of such employee's annual compensation up to a maximum of one thousand six hundred dollars regardless of whether the employee makes any elective contributions to the Plan. In addition, the Partnership will also contribute 50% of certain eligible employee's contribution to the Plan with a maximum matching contribution of one thousand six hundred dollars. For the years ended December 31, 2015, 2014 and 2013, the Partnership incurred expenses of \$2.0 million, \$1.9 million and \$1.7 million in connection with such Plan.

The Partnership provides a defined contribution plan for eligible employees in the United Kingdom ("U.K. Plan"). All United Kingdom employees are eligible to contribute to the U.K. Plan after three months of qualifying service. The Partnership contributes a percentage of an employee's annual salary, subject to United Kingdom statutory restrictions, on a monthly basis for administrative employees of the Partnership based upon the age of the employee. For the years ended December 31, 2015, 2014 and 2013, the Partnership incurred expenses of \$0.8 million, \$0.7 million and \$0.4 million, respectively, in connection with the U.K. Plan.

20. REGULATED ENTITIES

The Partnership has a registered broker-dealer that is subject to the minimum net capital requirements of the United States Securities and Exchange Commission ("SEC"). This entity has continuously operated in excess of these requirements. The Partnership also has certain entities based in London, Hong Kong and Ireland, which are subject to the capital requirements of the Financial Conduct Authority, the Securities & Future Commission and the Central Bank of Ireland, respectively. These entities have continuously operated in excess of their regulatory capital requirements.

Certain other U.S. and non-U.S. entities are subject to various investment adviser, commodity pool operator and trader regulations. This includes a number of U.S. entities that are registered as investment advisers with the SEC.

The regulatory capital requirements referred to above may restrict the Partnership's ability to withdraw capital from its entities. At December 31, 2015, \$24.8 million of net assets of consolidated entities may be restricted as to the payment of cash dividends and advances to the Partnership.

21. 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 businesses through four segments:

- **Private Equity** — Blackstone's Private Equity segment comprises its management of private equity funds, certain opportunistic investment funds and secondary private funds of funds.
- **Real Estate** — Blackstone's Real Estate segment primarily comprises its management of global, European focused and Asian focused opportunistic real estate funds as well as core+ funds. In addition, the segment has debt investment funds and a publicly traded REIT targeting non-controlling real estate debt-related investment opportunities in the public and private markets, primarily in the United States and Europe.
- **Hedge Fund Solutions** — Blackstone's Hedge Fund Solutions segment is comprised principally of Blackstone Alternative Asset Management ("BAAM"), which manages a broad range of commingled and customized hedge fund of fund solutions. The Hedge Fund Solutions business also includes investment platforms that seed new hedge fund talent, purchase ownership interests in more established hedge funds, invest in special situation opportunities, create alternative solutions in regulated structures and trade long and short public equities.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

- Credit — Blackstone’s Credit segment, which consists principally of GSO Capital Partners LP (“GSO”), manages credit-focused products within private and public debt market strategies. GSO’s products include senior credit-focused funds, mezzanine funds, distressed debt funds, general credit-focused funds, registered investment companies, separately managed accounts and CLO vehicles.

These business segments are differentiated by their various sources of income. The Private Equity, Real Estate, Hedge Fund Solutions and Credit segments primarily earn their income from management fees and investment returns on assets under management.

Blackstone uses Economic Income (“EI”) as a key measure of value creation, a benchmark of its performance and in making resource deployment and compensation decisions across its four segments. EI represents segment net income before taxes excluding transaction-related charges. Transaction-related charges arise from Blackstone’s IPO and long-term retention programs outside of annual deferred compensation and other corporate actions, including acquisitions. Transaction-related charges include equity-based compensation charges, the amortization of intangible assets and contingent consideration associated with acquisitions. EI presents revenues and expenses on a basis that deconsolidates the investment funds Blackstone manages. Economic Net Income (“ENI”) represents EI adjusted to include current period taxes. Taxes represent the current tax provision (benefit) calculated on Income (Loss) Before Provision for Taxes.

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 Financial Statements. Consequently, all segment data excludes the assets, liabilities and operating results related to the Blackstone Funds.

On October 1, 2015, Blackstone completed the previously-announced spin-off of the operations that historically constituted Blackstone’s Financial Advisory segment, other than Blackstone’s capital markets services business. Blackstone’s capital markets services business was retained and was not part of the spin-off. The financial and strategic advisory services, restructuring and reorganization advisory services and Park Hill Group businesses were spun-off from Blackstone and combined with PJT Capital LP, an independent financial advisory firm founded by Paul J. Taubman, to form an independent, publicly traded company called PJT Partners Inc. Each common unitholder of Blackstone received one share of Class A common stock of PJT Partners Inc. for every 40 common units of Blackstone held by such unitholder on the record date. The historical Financial Advisory segment comprised financial and strategic advisory services, restructuring and reorganization advisory services, capital markets services and Park Hill Group, which provided fund placement services for alternative investment funds. As of October 1, 2015, Blackstone no longer reports a Financial Advisory segment. Results of the Financial Advisory segment are included herein for comparative purposes only. As a result of the spin-off on October 1, 2015 of Blackstone’s Financial Advisory business, which did not include Blackstone’s capital markets services business, the result of Blackstone’s capital markets services business were reclassified from the Financial Advisory segment to the Private Equity segment. All prior periods have been recast to reflect this reclassification.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The following table presents the financial data for Blackstone's four segments as of and for the years ended December 31, 2015, 2014 and 2013. As a result of the spin-off on October 1, 2015, the former Financial Advisory segment no longer reports results. The historical Financial Advisory information is included for comparative purposes.

	December 31, 2015 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Financial Advisory	Total Segments
Segment Revenues						
Management and Advisory Fees, Net						
Base Management Fees	\$ 502,640	\$ 668,575	\$ 524,386	\$ 500,982	\$ —	\$ 2,196,583
Advisory Fees	10,561	—	—	—	297,570	308,131
Transaction and Other Fees, Net	36,258	110,577	317	6,371	162	153,685
Management Fee Offsets	(36,760)	(26,840)	171	(30,065)	—	(93,494)
Total Management and Advisory Fees, Net	<u>512,699</u>	<u>752,312</u>	<u>524,874</u>	<u>477,288</u>	<u>297,732</u>	<u>2,564,905</u>
Performance Fees						
Realized						
Carried Interest	1,474,987	1,634,733	—	96,156	—	3,205,876
Incentive Fees	—	17,153	68,197	109,396	—	194,746
Unrealized						
Carried Interest	(717,955)	(680,542)	2,021	(198,820)	—	(1,595,296)
Incentive Fees	—	20,802	(8,084)	(19,967)	—	(7,249)
Total Performance Fees	<u>757,032</u>	<u>992,146</u>	<u>62,134</u>	<u>(13,235)</u>	<u>—</u>	<u>1,798,077</u>
Investment Income (Loss)						
Realized	189,649	235,582	(12,741)	7,186	(868)	418,808
Unrealized	(116,338)	(231,889)	(1,435)	(16,258)	(39)	(365,959)
Total Investment Income (Loss)	<u>73,311</u>	<u>3,693</u>	<u>(14,176)</u>	<u>(9,072)</u>	<u>(907)</u>	<u>52,849</u>
Interest and Dividend Revenue	33,218	43,990	17,274	24,599	12,520	131,601
Other	5,854	(1,422)	200	5,171	(1,303)	8,500
Total Revenues	<u>1,382,114</u>	<u>1,790,719</u>	<u>590,306</u>	<u>484,751</u>	<u>308,042</u>	<u>4,555,932</u>
Expenses						
Compensation and Benefits						
Compensation	280,248	358,381	179,484	190,189	180,917	1,189,219
Performance Fee Compensation						
Realized						
Carried Interest	256,922	484,037	—	52,841	—	793,800
Incentive Fees	—	8,678	27,155	50,113	—	85,946
Unrealized						
Carried Interest	(10,172)	(196,347)	823	(107,000)	—	(312,696)
Incentive Fees	—	8,817	(2,912)	(8,395)	—	(2,490)
Total Compensation and Benefits	<u>526,998</u>	<u>663,566</u>	<u>204,550</u>	<u>177,748</u>	<u>180,917</u>	<u>1,753,779</u>
Other Operating Expenses	199,158	179,175	90,072	93,626	62,326	624,357
Total Expenses	<u>726,156</u>	<u>842,741</u>	<u>294,622</u>	<u>271,374</u>	<u>243,243</u>	<u>2,378,136</u>
Economic Income	<u>\$ 655,958</u>	<u>\$ 947,978</u>	<u>\$ 295,684</u>	<u>\$ 213,377</u>	<u>\$ 64,799</u>	<u>\$ 2,177,796</u>
Segment Assets	<u>\$5,680,315</u>	<u>\$7,456,507</u>	<u>\$1,916,956</u>	<u>\$2,725,585</u>	<u>\$ —</u>	<u>\$ 17,779,363</u>

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	December 31, 2014 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Financial Advisory	Total Segments
Segment Revenues						
Management and Advisory Fees, Net						
Base Management Fees	\$ 415,841	\$ 628,502	\$ 482,981	\$ 460,205	\$ —	\$ 1,987,529
Advisory Fees	21,903	—	—	—	398,942	420,845
Transaction and Other Fees, Net	135,718	91,610	569	18,161	379	246,437
Management Fee Offsets	(19,146)	(34,443)	(5,014)	(28,168)	—	(86,771)
Total Management and Advisory Fees, Net	<u>554,316</u>	<u>685,669</u>	<u>478,536</u>	<u>450,198</u>	<u>399,321</u>	<u>2,568,040</u>
Performance Fees						
Realized						
Carried Interest	754,402	1,487,762	—	208,432	—	2,450,596
Incentive Fees	—	11,499	140,529	109,717	—	261,745
Unrealized						
Carried Interest	1,222,828	524,046	—	(37,913)	—	1,708,961
Incentive Fees	—	(5,521)	(879)	(23,025)	—	(29,425)
Total Performance Fees	<u>1,977,230</u>	<u>2,017,786</u>	<u>139,650</u>	<u>257,211</u>	<u>—</u>	<u>4,391,877</u>
Investment Income (Loss)						
Realized	202,719	309,095	21,550	9,354	707	543,425
Unrealized	(23,914)	(58,930)	5,132	5,055	860	(71,797)
Total Investment Income	<u>178,805</u>	<u>250,165</u>	<u>26,682</u>	<u>14,409</u>	<u>1,567</u>	<u>471,628</u>
Interest and Dividend Revenue	21,993	30,197	11,114	23,040	10,000	96,344
Other	6,569	2,863	1,855	(2,310)	428	9,405
Total Revenues	<u>2,738,913</u>	<u>2,986,680</u>	<u>657,837</u>	<u>742,548</u>	<u>411,316</u>	<u>7,537,294</u>
Expenses						
Compensation and Benefits						
Compensation	280,499	326,317	131,658	188,200	226,837	1,153,511
Performance Fee Compensation						
Realized						
Carried Interest	266,393	432,996	—	116,254	—	815,643
Incentive Fees	—	5,980	42,451	61,668	—	110,099
Unrealized						
Carried Interest	210,446	197,174	—	(28,583)	—	379,037
Incentive Fees	—	(2,751)	(273)	(16,252)	—	(19,276)
Total Compensation and Benefits	<u>757,338</u>	<u>959,716</u>	<u>173,836</u>	<u>321,287</u>	<u>226,837</u>	<u>2,439,014</u>
Other Operating Expenses	143,562	146,083	86,129	90,524	87,484	553,782
Total Expenses	<u>900,900</u>	<u>1,105,799</u>	<u>259,965</u>	<u>411,811</u>	<u>314,321</u>	<u>2,992,796</u>
Economic Income	<u>\$1,838,013</u>	<u>\$1,880,881</u>	<u>\$ 397,872</u>	<u>\$ 330,737</u>	<u>\$ 96,995</u>	<u>\$ 4,544,498</u>
Segment Assets	<u>\$6,134,869</u>	<u>\$8,032,854</u>	<u>\$1,472,992</u>	<u>\$2,592,313</u>	<u>\$ 866,595</u>	<u>\$ 19,099,623</u>

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

	December 31, 2013 and the Year Then Ended					
	Private Equity	Real Estate	Hedge Fund Solutions	Credit	Financial Advisory	Total Segments
Segment Revenues						
Management and Advisory Fees, Net						
Base Management Fees	\$ 368,146	\$ 565,182	\$ 409,321	\$ 398,158	\$ —	\$ 1,740,807
Advisory Fees	24,313	—	—	—	386,201	410,514
Transaction and Other Fees, Net	97,678	79,675	623	28,586	415	206,977
Management Fee Offsets	(5,683)	(22,821)	(3,387)	(40,329)	—	(72,220)
Total Management and Advisory Fees, Net	<u>484,454</u>	<u>622,036</u>	<u>406,557</u>	<u>386,415</u>	<u>386,616</u>	<u>2,286,078</u>
Performance Fees						
Realized						
Carried Interest	329,993	486,773	—	127,192	—	943,958
Incentive Fees	—	45,862	207,735	220,736	—	474,333
Unrealized						
Carried Interest	398,232	1,651,700	—	108,078	—	2,158,010
Incentive Fees	—	(28,753)	7,718	1,107	—	(19,928)
Total Performance Fees	<u>728,225</u>	<u>2,155,582</u>	<u>215,453</u>	<u>457,113</u>	<u>—</u>	<u>3,556,373</u>
Investment Income (Loss)						
Realized	88,026	52,359	27,613	4,098	(1,625)	170,471
Unrealized	161,749	350,201	(9,306)	13,951	739	517,334
Total Investment Income (Loss)	<u>249,775</u>	<u>402,560</u>	<u>18,307</u>	<u>18,049</u>	<u>(886)</u>	<u>687,805</u>
Interest and Dividend Revenue	15,625	21,563	7,605	18,146	7,997	70,936
Other	4,259	3,384	688	527	1,450	10,308
Total Revenues	<u>1,482,338</u>	<u>3,205,125</u>	<u>648,610</u>	<u>880,250</u>	<u>395,177</u>	<u>6,611,500</u>
Expenses						
Compensation and Benefits						
Compensation	240,150	294,222	136,470	186,514	258,284	1,115,640
Performance Fee Compensation						
Realized						
Carried Interest	38,953	148,837	—	69,411	—	257,201
Incentive Fees	—	23,878	65,793	111,244	—	200,915
Unrealized						
Carried Interest	342,733	566,837	—	57,147	—	966,717
Incentive Fees	—	(15,015)	2,856	508	—	(11,651)
Total Compensation and Benefits	<u>621,836</u>	<u>1,018,759</u>	<u>205,119</u>	<u>424,824</u>	<u>258,284</u>	<u>2,528,822</u>
Other Operating Expenses	124,499	116,391	66,966	96,940	81,843	486,639
Total Expenses	<u>746,335</u>	<u>1,135,150</u>	<u>272,085</u>	<u>521,764</u>	<u>340,127</u>	<u>3,015,461</u>
Economic Income	<u>\$ 736,003</u>	<u>\$ 2,069,975</u>	<u>\$ 376,525</u>	<u>\$ 358,486</u>	<u>\$ 55,050</u>	<u>\$ 3,596,039</u>

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

The following table reconciles the Total Segments to Blackstone's Income Before Provision for Taxes and Total Assets as of and for the years ended December 31, 2015, 2014 and 2013:

December 31, 2015 and the Year Then Ended			
	Total Segments	Consolidation Adjustments and Reconciling Items	Blackstone Consolidated
Revenues	\$ 4,555,932	\$ 90,620(a)	\$ 4,646,552
Expenses	\$ 2,378,136	\$ 712,739(b)	\$ 3,090,875
Other Income	\$ —	\$ 259,071(c)	\$ 259,071
Economic Income	\$ 2,177,796	\$ (363,048)(d)	\$ 1,814,748
Total Assets	\$17,779,363	\$ 4,746,717(e)	\$22,526,080

December 31, 2014 and the Year Then Ended			
	Total Segments	Consolidation Adjustments and Reconciling Items	Blackstone Consolidated
Revenues	\$ 7,537,294	\$ (52,566)(a)	\$ 7,484,728
Expenses	\$ 2,992,796	\$ 863,060(b)	\$ 3,855,856
Other Income	\$ —	\$ 357,854(c)	\$ 357,854
Economic Income	\$ 4,544,498	\$ (557,772)(d)	\$ 3,986,726
Total Assets	\$19,099,623	\$ 12,397,474(e)	\$31,497,097

Year Ended December 31, 2013			
	Total Segments	Consolidation Adjustments and Reconciling Items	Blackstone Consolidated
Revenues	\$6,611,500	\$ 1,668(a)	\$6,613,168
Expenses	\$3,015,461	\$ 851,279(b)	\$3,866,740
Other Income	\$ —	\$ 402,133(c)	\$ 402,133
Economic Income	\$3,596,039	\$ (447,478)(d)	\$3,148,561

- (a) The Revenues adjustment represents management and performance fees earned from Blackstone Funds which were eliminated in consolidation to arrive at Blackstone consolidated revenues and non-segment related Investment Income, which is included in Blackstone consolidated revenues.
- (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 transaction-related equity-based compensation to arrive at Blackstone consolidated expenses.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

- (c) The Other Income adjustment results from the following:

	Year Ended December 31,		
	2015	2014	2013
Fund Management Fees and Performance Fees Eliminated in Consolidation and Transactional Investment Loss	\$ (100,657)	\$ 52,219	\$ (5,575)
Fund Expenses Added in Consolidation	48,239	19,169	30,727
Non-Controlling Interests in Income of Consolidated Entities	231,045	409,864	381,872
Transaction-Related Other Income (Loss)	80,444	(123,398)	(4,891)
Total Consolidation Adjustments and Reconciling Items	\$ 259,071	\$ 357,854	\$ 402,133

- (d) The reconciliation of Economic Income to Income Before Provision for Taxes as reported in the Consolidated Statements of Operations consists of the following:

	Year Ended December 31,		
	2015	2014	2013
Economic Income	\$ 2,177,796	\$ 4,544,498	\$ 3,596,039
Adjustments			
Amortization of Intangibles	(104,530)	(111,254)	(106,643)
IPO and Acquisition-Related Charges	(489,563)	(856,382)	(722,707)
Non-Controlling Interests in Income of Consolidated Entities	231,045	409,864	381,872
Total Consolidation Adjustments and Reconciling Items	(363,048)	(557,772)	(447,478)
Income Before Provision for Taxes	\$ 1,814,748	\$ 3,986,726	\$ 3,148,561

- (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 assets.

22. SUBSEQUENT EVENTS

There have been no events since December 31, 2015 that require recognition or disclosure in the Consolidated Financial Statements.

THE BLACKSTONE GROUP L.P.

Notes to Consolidated Financial Statements—Continued

(All Dollars Are in Thousands, Except Unit and Per Unit Data, Except Where Noted)

23. QUARTERLY FINANCIAL DATA (UNAUDITED)

	Three Months Ended			
	March 31, 2015 (a)	June 30, 2015	September 30, 2015	December 31, 2015
Revenues	\$2,512,358	\$1,225,202	\$ 11,573	\$ 897,419
Expenses	1,142,568	914,432	476,997	556,878
Other Income (Loss)	93,555	82,015	(16,867)	100,368
Income (Loss) Before Provision for Taxes	\$1,463,345	\$ 392,785	\$ (482,291)	\$ 440,909
Net Income (Loss)	\$1,364,001	\$ 349,534	\$ (483,864)	\$ 394,679
Net Income (Loss) Attributable to The Blackstone Group L.P.	\$ 629,448	\$ 134,168	\$ (254,697)	\$ 200,870
Net Income (Loss) Per Common Unit				
Common Units, Basic	\$ 1.01	\$ 0.21	\$ (0.40)	\$ 0.31
Common Units, Diluted	\$ 1.00	\$ 0.21	\$ (0.40)	\$ 0.23
Distributions Declared (b)	\$ 0.78	\$ 0.89	\$ 0.74	\$ 0.49

	Three Months Ended			
	March 31, 2014	June 30, 2014	September 30, 2014	December 31, 2014
Revenues	\$ 1,526,668	\$2,257,860	\$ 1,679,426	\$ 2,020,774
Expenses	887,851	1,089,781	1,055,138	823,086
Other Income	70,155	138,585	8,682	140,432
Income Before Provision for Taxes	\$ 708,972	\$1,306,664	\$ 632,970	\$ 1,338,120
Net Income	\$ 654,875	\$1,223,382	\$ 553,862	\$ 1,263,434
Net Income Attributable to The Blackstone Group L.P.	\$ 265,617	\$ 517,016	\$ 250,505	\$ 551,451
Net Income Per Common Unit				
Common Units, Basic	\$ 0.44	\$ 0.85	\$ 0.41	\$ 0.90
Common Units, Diluted	\$ 0.44	\$ 0.85	\$ 0.41	\$ 0.89
Distributions Declared (b)	\$ 0.58	\$ 0.35	\$ 0.55	\$ 0.44

- (a) Blackstone adopted new GAAP consolidation guidance for the quarter ended June 30, 2015 and applied a modified retrospective approach as of January 1, 2015. Adoption did not change Net Income Attributable to The Blackstone Group L.P. for the quarter ended March 31, 2015, but did change Revenues, Expenses, Other Income (Loss), Income (Loss) Before Provision for Taxes and Net Income (Loss). Such amounts have been recast here from the amounts originally reported for the quarter ended March 31, 2015.
- (b) Distributions declared reflects the calendar date of the declaration of each distribution.

ITEM 8A. UNAUDITED SUPPLEMENTAL PRESENTATION OF STATEMENTS OF FINANCIAL CONDITION
THE BLACKSTONE GROUP L.P.
**Unaudited Consolidating Statements of Financial Condition
(Dollars in Thousands)**

	December 31, 2015			
	Consolidated Operating Partnerships	Consolidated Blackstone Funds (a)	Reclasses and Eliminations	Consolidated
Assets				
Cash and Cash Equivalents	\$ 1,837,324	\$ —	\$ —	\$ 1,837,324
Cash Held by Blackstone Funds and Other	148,660	438,472	—	587,132
Investments	10,186,419	4,591,465	(453,787)	14,324,097
Accounts Receivable	461,610	151,543	—	613,153
Reverse Repurchase Agreements	204,893	—	—	204,893
Due from Affiliates	1,224,692	25,722	(9,617)	1,240,797
Intangible Assets, Net	345,547	—	—	345,547
Goodwill	1,718,519	—	—	1,718,519
Other Assets	374,270	2,919	—	377,189
Deferred Tax Assets	1,277,429	—	—	1,277,429
Total Assets	\$17,779,363	\$5,210,121	\$ (463,404)	\$22,526,080
Liabilities and Partners' Capital				
Loans Payable	\$ 2,797,060	\$3,319,687	\$ —	\$ 6,116,747
Due to Affiliates	1,244,748	50,892	(12,940)	1,282,700
Accrued Compensation and Benefits	2,029,900	18	—	2,029,918
Securities Sold, Not Yet Purchased	99,392	77,275	—	176,667
Repurchase Agreements	970	39,959	—	40,929
Accounts Payable, Accrued Expenses and Other Liabilities	422,905	225,757	—	648,662
Total Liabilities	6,594,975	3,713,588	(12,940)	10,295,623
Redeemable Non-Controlling Interests in Consolidated Entities	—	183,459	—	183,459
Partners' Capital				
Partners' Capital	6,323,025	450,417	(451,135)	6,322,307
Accumulated Other Comprehensive Income	(53,190)	—	671	(52,519)
Non-Controlling Interests in Consolidated Entities	1,546,044	862,657	—	2,408,701
Non-Controlling Interests in Blackstone Holdings	3,368,509	—	—	3,368,509
Total Partners' Capital	11,184,388	1,313,074	(450,464)	12,046,998
Total Liabilities and Partners' Capital	\$17,779,363	\$5,210,121	\$ (463,404)	\$22,526,080

THE BLACKSTONE GROUP L.P.
Unaudited Consolidating Statements of Financial Condition
(Dollars in Thousands)

	December 31, 2014			
	Consolidated Operating Partnerships	Consolidated Blackstone Funds (a)	Reclasses and Eliminations	Consolidated
Assets				
Cash and Cash Equivalents	\$ 1,412,472	\$ —	\$ —	\$ 1,412,472
Cash Held by Blackstone Funds and Other	348,957	1,459,135	—	1,808,092
Investments	12,123,708	11,835,242	(1,193,361)	22,765,589
Accounts Receivable	364,927	194,394	—	559,321
Reverse Repurchase Agreements	—	—	—	—
Due from Affiliates	1,060,831	723,285	(655,708)	1,128,408
Intangible Assets, Net	458,833	—	—	458,833
Goodwill	1,787,392	—	—	1,787,392
Other Assets	276,476	48,284	—	324,760
Deferred Tax Assets	1,252,230	—	—	1,252,230
Total Assets	<u>\$ 19,085,826</u>	<u>\$ 14,260,340</u>	<u>\$ (1,849,069)</u>	<u>\$ 31,497,097</u>
Liabilities and Partners' Capital				
Loans Payable	\$ 2,136,706	\$ 6,787,135	\$ —	\$ 8,923,841
Due to Affiliates	1,289,552	1,350,911	(1,150,375)	1,490,088
Accrued Compensation and Benefits	2,439,257	—	—	2,439,257
Securities Sold, Not Yet Purchased	—	85,878	—	85,878
Repurchase Agreements	—	29,907	—	29,907
Accounts Payable, Accrued Expenses and Other Liabilities	430,712	763,867	—	1,194,579
Total Liabilities	<u>6,296,227</u>	<u>9,017,698</u>	<u>(1,150,375)</u>	<u>14,163,550</u>
Redeemable Non-Controlling Interests in Consolidated Entities	<u>—</u>	<u>2,441,854</u>	<u>—</u>	<u>2,441,854</u>
Partners' Capital				
Partners' Capital	6,999,830	698,694	(698,694)	6,999,830
Appropriated Partners' Capital	—	81,301	—	81,301
Accumulated Other Comprehensive Income	(21,932)	1,068	—	(20,864)
Non-Controlling Interests in Consolidated Entities	1,395,631	2,019,725	—	3,415,356
Non-Controlling Interests in Blackstone Holdings	4,416,070	—	—	4,416,070
Total Partners' Capital	<u>12,789,599</u>	<u>2,800,788</u>	<u>(698,694)</u>	<u>14,891,693</u>
Total Liabilities and Partners' Capital	<u>\$ 19,085,826</u>	<u>\$ 14,260,340</u>	<u>\$ (1,849,069)</u>	<u>\$ 31,497,097</u>

(a) The Consolidated Blackstone Funds consisted of the following:

- Blackstone AG Investment Partners L.P.*
- Blackstone Distressed Securities Fund L.P.*
- Blackstone Market Opportunities Fund L.P.*
- Blackstone Real Estate Partners VI.C — ESH L.P.
- Blackstone Real Estate Special Situations Fund L.P.
- Blackstone Real Estate Special Situations Offshore Fund Ltd.
- Blackstone Strategic Alliance Fund II L.P.*
- Blackstone Strategic Alliance Fund L.P.

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Blackstone Strategic Capital Holdings B L.P.*
Blackstone Strategic Capital Holdings L.P.*
Blackstone Strategic Equity Fund L.P.*
Blackstone Value Recovery Fund L.P.*
Blackstone/GSO Loan Financing Limited
Blackstone/GSO Secured Trust Ltd.*
BREP Edens Investment Partners L.P.*
BSSF I AIV L.P.
BTD CP Holdings, LP
GSO Legacy Associates II LLC
GSO Legacy Associates LLC
Shanghai Blackstone Equity Investment Partnership L.P.*
Private equity side-by-side investment vehicles
Real estate side-by-side investment vehicles
Mezzanine side-by-side investment vehicles
Collateralized loan obligation vehicles

* Consolidated as of December 31, 2014 only.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

We maintain “disclosure controls and procedures,” as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”), that are designed to ensure that information required to be disclosed by us 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. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

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 report, our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Exchange Act) are effective at the reasonable assurance level to accomplish their objectives of ensuring 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 changes in our internal control over financial reporting (as such term is defined in Rules 13a — 15(f) and 15d — 15(f) under the Securities Exchange Act) occurred during our most recent quarter, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Management of The Blackstone Group L.P. and subsidiaries ("Blackstone") is responsible for establishing and maintaining adequate internal control over financial reporting. Blackstone's internal control over financial reporting is a process designed under the supervision of its principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of its consolidated financial statements for external reporting purposes in accordance with accounting principles generally accepted in the United States of America.

Blackstone's internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets; provide reasonable assurances that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and the directors; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of Blackstone's assets that could have a material effect on its financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management conducted an assessment of the effectiveness of Blackstone's internal control over financial reporting as of December 31, 2015 based on the framework established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that Blackstone's internal control over financial reporting as of December 31, 2015 was effective.

Deloitte & Touche LLP, an independent registered public accounting firm, has audited Blackstone's financial statements included in this report on Form 10-K and issued its report on the effectiveness of Blackstone's internal control over financial reporting as of December 31, 2015, which is included herein.

ITEM 9B. OTHER INFORMATION

Section 13(r) Disclosure

Pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 ("ITRA"), which added Section 13(r) of the Exchange Act, Blackstone hereby incorporates by reference herein Exhibit 99.1 of each of our Quarterly Reports on Form 10-Q filed on May 8, 2015, August 6, 2015 and November 5, 2015 as well as Exhibit 99.1 of this Annual Report on Form 10-K, which includes disclosures publicly filed and/or provided to us by Travelport Limited, which may be considered our affiliate.

PART III.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Directors and Executive Officers of Blackstone Group Management L.L.C.

The directors and executive officers of Blackstone Group Management L.L.C. as of the date of this filing, are:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Stephen A. Schwarzman	69	Founder, Chairman and Chief Executive Officer and Director
Hamilton E. James	65	President, Chief Operating Officer and Director
J. Tomilson Hill	67	Vice Chairman and Director
Bennett J. Goodman	58	Co-Founder of GSO Capital Partners and Director
Jonathan D. Gray	46	Global Head of Real Estate and Director
Michael S. Chae	47	Chief Financial Officer
John G. Finley	59	Chief Legal Officer
Joan Solotar	51	Senior Managing Director — Head of Multi-Asset Investing and External Relations
Peter T. Grauer	70	Director
Richard H. Jenrette	86	Director
Rochelle B. Lazarus	68	Director
Jay O. Light	74	Director
The Right Honorable Brian Mulroney	76	Director
William G. Parrett	70	Director

Stephen A. Schwarzman is the Chairman and Chief Executive Officer of Blackstone and the Chairman of the board of directors of our general partner. Mr. Schwarzman was elected Chairman of the board of directors of our general partner effective March 20, 2007. He also sits on the firm's Management Committee. Mr. Schwarzman is a founder of Blackstone and has been involved in all phases of the firm's development since its founding in 1985. Mr. Schwarzman began his career at Lehman Brothers, where he was elected Managing Director in 1978. He was engaged principally in the firm's mergers and acquisitions business from 1977 to 1984, and served as Chairman of the firm's Mergers & Acquisitions Committee in 1983 and 1984. Mr. Schwarzman is an active philanthropist with a history of supporting education and schools. Whether in business or in philanthropy, he has always attempted to tackle big problems and find transformative solutions. In 2015, Mr. Schwarzman donated \$150 million to Yale University to establish the Schwarzman Center, a first-of-its-kind campus center in Yale's historic "Commons" building. In 2013, he founded an international scholarship program, "Schwarzman Scholars," at Tsinghua University in Beijing to educate future leaders about China. At \$450 million, the program is modeled on the Rhodes Scholarship and is the single largest philanthropic effort in China's history coming largely from international donors. In 2007, Mr. Schwarzman donated \$100 million to the New York Public Library on whose board he serves. Mr. Schwarzman is a member of The Council on Foreign Relations, The Business Council, The Business Roundtable, and The International Business Council of the World Economic Forum. He is co-chair of the Partnership for New York City and serves on the boards of The Asia Society and New York Presbyterian Hospital, as well as on The Advisory Board of the School of Economics and Management at Tsinghua University, Beijing. He is a Trustee of The Frick Collection in New York City and Chairman Emeritus of the Board of Directors of The John F. Kennedy Center for the Performing Arts. In 2007, Mr. Schwarzman was included in TIME's "100 Most Influential People." Mr. Schwarzman was awarded the Légion d'Honneur of France in 2007 and promoted to Officier in 2010. Mr. Schwarzman holds a BA from Yale University and an MBA from Harvard Business School. He has served as an adjunct professor at the Yale School of Management and on the Harvard Business School Board of Dean's Advisors.

Hamilton E. James is President and Chief Operating Officer of Blackstone and a member of the board of directors of our general partner. Mr. James was elected to the board of directors of our general partner effective March 20, 2007. He is also a member of Blackstone's Management Committee and sits on each of the firm's

investment committees. Prior to joining Blackstone in 2002, Mr. James was Chairman of Global Investment Banking and Private Equity at Credit Suisse First Boston and a member of its Executive Board. Prior to the acquisition of Donaldson, Lufkin & Jenrette (DLJ) by Credit Suisse First Boston in 2000, Mr. James was the Chairman of DLJ's Banking Group, responsible for all the firm's investment banking and merchant banking activities. Mr. James joined DLJ in 1975 as an Investment Banking associate. He became head of DLJ's global mergers and acquisitions group in 1982, founded DLJ Merchant Banking, Inc. in 1985, and was named Chairman of the Banking Group in 1995. Mr. James is a Director of Costco Wholesale Corporation and has served on a number of other corporate boards. Mr. James is a Commissioner of The Port Authority of New York and New Jersey, a Trustee of The Metropolitan Museum of Art, member of The Boards of Trustees of Mount Sinai Health System, member of The Center for American Progress Board of Trustees, Vice Chairman of Trout Unlimited's Coldwater Conservations Fund, Trustee of Woods Hole Oceanographic Institution, Advisory Board Member of the Montana Land Reliance, Trustee of the Wildlife Conservation Society and Chairman Emeritus of the Board of Trustees of American Ballet Theatre. He is also a former member of the President's Export Council — Subcommittee on Technology & Competitiveness. Mr. James received a BA from Harvard College and an MBA from Harvard Business School.

J. Tomilson Hill is President and Chief Executive Officer of BAAM, a Vice Chairman of Blackstone and a member of the board of directors of our general partner. Mr. Hill was elected to the board of directors of our general partner effective March 20, 2007. He also sits on the firm's Management Committee. Mr. Hill previously served as Co-Head of the Corporate and Mergers and Acquisitions Advisory group before assuming his role as Chief Executive Officer of BAAM. In his current capacity, Mr. Hill is responsible for overseeing the day-to-day activities of the group, including investment management, client relationships, marketing, operations and administration. Before joining Blackstone in 1993, Mr. Hill began his career at First Boston, later becoming one of the Co-Founders of its Mergers & Acquisitions Department. After running the Mergers & Acquisitions Department at Smith Barney, he joined Lehman Brothers as a partner in 1982, serving as Co-Head and subsequently Head of Investment Banking. Later, he served as Co-Chief Executive Officer of Lehman Brothers and Co-President and Co-COO of Shearson Lehman Brothers Holding Inc. Mr. Hill is a graduate of Harvard College and the Harvard Business School. He is a member of the Council on Foreign Relations where he chairs the Investment Committee and serves on the Council's Board of Directors, and is a member of the Board of Directors of Lincoln Center Theater, where he is Chairman. He serves on the Board of The Metropolitan Museum of Art, the Telluride Foundation, the Advantage Testing Foundation, and of Our Lady Queen of Angels School, a parochial school (K-8th grade) in Spanish Harlem. He is a member of the Advisory Board of Christie's and a member of the Board of Directors of OpenPeak Inc. and Advantage Testing, Inc.

Bennett J. Goodman is a Co-Founder of GSO and a member of the board of directors of our general partner. Mr. Goodman was elected to the board of directors of our general partner effective February 24, 2015. He also sits on the firm's Management Committee. Since joining Blackstone in 2008, Mr. Goodman has focused on the management of GSO, which is Blackstone's credit investment platform with over \$75 billion of assets under management in various direct lending strategies, leveraged loan vehicles and distressed investment funds. Before co-founding GSO in 2005, Mr. Goodman was the Managing Partner of the Alternative Capital Division of Credit Suisse. Mr. Goodman joined Credit Suisse in November 2000 when they acquired Donaldson, Lufkin & Jenrette, or DLJ where he was Global Head of Leveraged Finance. Mr. Goodman joined DLJ in February of 1988 as the founder of the High Yield Capital Markets Group. Prior to joining DLJ, Mr. Goodman worked in the high yield business at Drexel Burnham Lambert from 1984 to 1988. Mr. Goodman is currently on the Board of Directors of Lincoln Center and the Central Park Conservancy. Mr. Goodman received Institutional Investor's 2012 Money Manager of The Year Award. He also received the 2004 Lifetime Achievement Award from Euromoney Magazine for his career achievements in the global capital markets. He graduated from Lafayette College and the Harvard Business School.

Jonathan D. Gray is Global Head of Real Estate and a member of the board of directors of our general partner. Mr. Gray was elected to the board of directors of our general partner effective February 24, 2012. He also sits on the firm's Management Committee. Since joining Blackstone in 1992, Mr. Gray has helped build the largest real estate platform in the world with \$94 billion in investor capital under management. Blackstone's portfolio includes hotel,

office, retail, industrial and residential properties in the U.S., Europe, Asia and Latin America. Mr. Gray received a BS in Economics from the Wharton School, as well as a BA in English from the College of Arts and Sciences at the University of Pennsylvania, where he graduated magna cum laude and was elected to Phi Beta Kappa. He currently serves as Chairman of the Board of Hilton Worldwide and is a board member of Brixmor Properties and Nevada Property 1 LLC (The Cosmopolitan of Las Vegas). He is also Chairman of the Board of Harlem Village Academies and a board member of Trinity School. Mr. Gray and his wife, Mindy, established the Bassett Center for BRCA at the University of Pennsylvania School of Medicine focused on the prevention and treatment of certain genetically caused cancers.

Michael S. Chae is Blackstone's Chief Financial Officer and a member of the firm's Management Committee. Mr. Chae has management responsibility over the firm's global finance, treasury, technology and corporate development functions. Since joining Blackstone in 1997, Mr. Chae has served in a broad range of leadership roles including Head of International Private Equity, from 2012 through 2015, Head of Private Equity for Asia/Pacific, from 2011 through 2015, and overseeing Private Equity investments in various sectors and the investment process for Tactical Opportunities. Mr. Chae led or was involved in numerous Blackstone investments over that time period. Before joining Blackstone, Mr. Chae worked at The Carlyle Group, L.P. and prior to that with Dillon, Read & Co. Mr. Chae received an AB from Harvard College, an MPhil. in International Relations from Cambridge University and a JD from Yale Law School. He has served on numerous boards of private and publicly traded portfolio companies. Mr. Chae is a member of the Board of Trustees of the Lawrenceville School and Chairman of its Investment Committee, and a member of the Council on Foreign Relations and the Board of Trustees of the Asia Society.

John G. Finley is Chief Legal Officer of Blackstone and a member of the firm's Management Committee. Before joining Blackstone in 2010, Mr. Finley had been a partner with Simpson Thacher & Bartlett for 22 years where he was most recently a member of that law firm's Executive Committee and Head of Global Mergers & Acquisitions. Mr. Finley is a member of the Advisory Board of the Harvard Law School Program on Corporate Governance, the National Advisory Board of the Netter Center for Community Partnerships of the University of Pennsylvania and the Board of Advisors of the University of Pennsylvania Institute of Law and Economics. He is also a guest lecturer at Harvard Law School and Penn Law School. He has served on the Committee of Securities Regulation of the New York State Bar Association, the Board of Advisors of the Knight-Bagehot Fellowship in Economics and Business Journalism at Columbia University and as a Trustee of the Jewish Board of Family and Children Services. He has also served as Chairman of the Annual International Mergers & Acquisitions Conference of the International Bar Association. Mr. Finley received a BS in Economics from the Wharton School of the University of Pennsylvania, a BA in History from the College of Arts and Sciences of the University of Pennsylvania, and a JD from Harvard Law School.

Joan Solotar is a Senior Managing Director, Head of Multi-Asset Investing and External Relations and a member of the firm's Management Committee. Ms. Solotar oversees the firm's Multi-Asset Investing business, which develops and distributes products and services to meet the needs of institutional and high net worth clients. Additionally, she manages global shareholder relations, public affairs and corporate services. Before joining Blackstone in 2007, Ms. Solotar was with Bank of America Securities where she was a Managing Director and Head of Equity Research. Prior to joining Bank of America, she was a consistently highly ranked Institutional Investor "All-American Research Team" financial services analyst at Donaldson, Lufkin & Jenrette and Credit Suisse First Boston as a Managing Director. Ms. Solotar chairs the Board of Directors of Blackstone's Charitable Foundation and is Chairman of the Board of Trustees of the East Harlem Tutorial Program and the East Harlem Scholars Academies. She is the recent author of a Harvard Business Review article entitled "Truths for our Daughters." Ms. Solotar received a BS in Management Information Systems at the State University of New York at Albany and an MBA in Finance at New York University.

Peter T. Grauer is a member of the board of directors of our general partner. Mr. Grauer was elected to the board of directors of our general partner effective January 26, 2016. Mr. Grauer is Chairman of Bloomberg L.P., a global financial information and media company. A member of the board of Bloomberg L.P. since 1996, Mr. Grauer

became Chairman in 2001, and then Chairman, President and Chief Executive Officer in March 2002. Prior to joining Bloomberg L.P., Mr. Grauer was managing director and senior partner at Credit Suisse First Boston from 2000 to 2002, founding both DLJ Merchant Banking Partners and DLJ Investment Partners. He was managing director of Donaldson, Lufkin & Jenrette (DLJ) from 1992 until Credit Suisse First Boston acquired it in 2000. Mr. Grauer serves as lead director of DaVita Health Care Partners, Inc. and Senior Independent Non-Executive Director of Glencore. He is a member of the Business Council, the Asia Business Council, the International Business Council of the World Economic Forum and Founding Chairman of the World Economic Forum Community of Chairmen. Mr. Grauer is also President of the Inner City Scholarship Fund Board of Trustees, Chairman of the Rockefeller Finance & Operations Committee, Chair of the College Advising Corps, and a board member of Room to Read and the Prostate Cancer Foundation. He is Founding U.S. Chair of the 30% Club, a Member of the Advisory Council of Out on the Street, and the McKinsey Advisory Council.

Richard H. Jenrette is a member of the board of directors of our general partner. Mr. Jenrette was elected to the board of directors of our general partner effective July 14, 2008. Mr. Jenrette is the retired former Chairman and Chief Executive Officer of The Equitable Companies Incorporated and the co-founder and retired Chairman and Chief Executive Officer of Donaldson, Lufkin & Jenrette (DLJ). He is also a former Chairman of The Securities Industry Association and has served in the past as a director or trustee of The McGraw-Hill Companies, Advanced Micro Devices Inc., the American Stock Exchange, The Rockefeller Foundation, The Duke Endowment, the University of North Carolina, New York University and The National Trust for Historic Preservation.

Rochelle B. Lazarus is a member of the board of directors of our general partner. Ms. Lazarus was elected to the board of directors of our general partner effective July 9, 2013. Ms. Lazarus is Chairman Emeritus of Ogilvy & Mather and served as Chairman of that company from 1997 to June 2012. Prior to becoming Chief Executive Officer and Chairman, she also served as president of O&M Direct North America, Ogilvy & Mather New York, and Ogilvy & Mather North America. Ms. Lazarus currently serves on the boards of Merck & Co., Inc., General Electric (where she chairs the Governance and Public Affairs Committee), the Financial Industry Regulatory Authority (FINRA), World Wildlife Fund, Defense Business Board, Lincoln Center for the Performing Arts and the Partnership for New York City. She is a trustee of the New York Presbyterian Hospital and is a member of the Board of Overseers of Columbia Business School. She is also a member of the Council on Foreign Relations, The Women's Forum, Inc. and The Business Council.

Jay O. Light is a member of the board of directors of our general partner. Mr. Light was elected to the board of directors of our general partner effective September 18, 2008. Mr. Light is the Dean Emeritus of Harvard Business School and the George F. Baker Professor of Administration Emeritus. Prior to that, Mr. Light was the Dean of Harvard Business School from 2006 to 2010. Before becoming the Dean of Harvard Business School, Mr. Light was Senior Associate Dean, Chairman of the Finance Area, and a professor teaching Investment Management, Capital Markets, and Entrepreneurial Finance for 30 years. Mr. Light is the Chairman of the Board of Directors of HCA Holdings, Inc., a director of the Harvard Management Company, a director of Partners HealthCare (the Mass General and Brigham & Women's Hospitals) and chairman of its Investment Committee, a member of the Investment Committee of several endowments, a director of several private firms, and an advisor/trustee to several corporate and institutional pools of capital. In prior years until 2008, Mr. Light was a Trustee of the GMO Trusts, a family of mutual funds for institutional investors.

The Right Honorable Brian Mulroney is a member of the board of directors of our general partner. Mr. Mulroney was elected to the board of directors of our general partner effective June 21, 2007. Mr. Mulroney is a senior partner and international business consultant for the Montreal law firm, Norton Rose Canada LLP. Prior to joining Norton Rose Canada, Mr. Mulroney was the eighteenth Prime Minister of Canada from 1984 to 1993 and leader of the Progressive Conservative Party of Canada from 1983 to 1993. He served as the Executive Vice President of the Iron Ore Company of Canada and President beginning in 1977. Prior to that, Mr. Mulroney served on the Cliché Commission of Inquiry in 1974. Mr. Mulroney is a Senior Advisor of Global Affairs at Barrick Gold Corporation, where he previously served as a member of the Board of Directors, and is the Chairman of their International Advisory Board. Mr. Mulroney is also Chairman of the Board of Directors of Quebecor Inc. and

Quebecor Media Inc. and a member of the Board of Directors of Wyndham Worldwide Corporation. In prior years until 2009, Mr. Mulroney was a member of the Board of Directors of Archer Daniels Midland Company and Quebecor World Inc.

William G. Parrett is a member of the board of directors of our general partner. Mr. Parrett was elected to the board of directors of our general partner effective November 9, 2007. Until May 31, 2007, Mr. Parrett served as the Chief Executive Officer of Deloitte Touche Tohmatsu. Certain of the member firms of Deloitte Touche Tohmatsu or their subsidiaries and affiliates provide professional services to Blackstone or its affiliates. Mr. Parrett co-founded the Global Financial Services Industry practice of Deloitte and served as its first Chairman. Currently, Mr. Parrett is Senior Trustee of the United States Council for International Business. Mr. Parrett is a member of the board of directors of Thermo Fisher Scientific Inc., Eastman Kodak Company and UBS AG, and is Chairman of the audit committee of each of these companies as well as the Corporate Responsibility Committee of UBS and the Strategy and Finance Committee of Thermo Fisher. He is a member of the Board of Trustees of Carnegie Hall and a past Chairman of the Board of Trustees of United Way Worldwide. Mr. Parrett is a Certified Public Accountant with an active license.

Board Composition

Our general partner seeks to ensure that the board of directors of our general partner is composed of members whose particular experience, qualifications, attributes and skills, when taken together, will allow the board to satisfy its oversight responsibilities effectively. In identifying candidates for membership on the board of directors of our general partner, Mr. Schwarzman takes into account (a) minimum individual qualifications, such as strength of character, mature judgment, industry knowledge or experience and an ability to work collegially with the other members of the board of directors, and (b) all other factors he considers appropriate.

After conducting an initial evaluation of a candidate, Mr. Schwarzman will interview that candidate if he believes the candidate might be suitable to be a director and may also ask the candidate to meet with other directors and senior management. If, following such interview and any consultations with senior management, Mr. Schwarzman believes a candidate would be a valuable addition to the board of directors, he will appoint that individual to the board of directors of our general partner.

When considering whether the board's directors have the experience, qualifications, attributes and skills, taken as a whole, to enable the board to satisfy its oversight responsibilities effectively in light of the Partnership's business and structure, Mr. Schwarzman focused on the information described in each of the board members' biographical information set forth above. In particular, with regard to Mr. Grauer, Mr. Schwarzman considered his extensive financial background and significant management experience at Bloomberg L.P. With regard to Mr. Jenrette, Mr. Schwarzman considered his extensive financial background and experience in a variety of senior leadership roles, including his roles at Donaldson, Lufkin & Jenrette, Inc. and The Equitable Companies Incorporated. With regard to Ms. Lazarus, Mr. Schwarzman considered her extensive business background and her management experience in a variety of senior leadership roles at Ogilvy & Mather. With regard to Mr. Light, Mr. Schwarzman considered his distinguished career as a professor and dean at Harvard Business School with extensive knowledge and expertise of the investment management and capital markets industries. With regard to Mr. Mulroney, Mr. Schwarzman considered his distinguished career of government service, especially his service as the Prime Minister of Canada. With regard to Mr. Parrett, Mr. Schwarzman considered his significant experience, expertise and background with regard to auditing and accounting matters, his leadership role at Deloitte and his seven years of experience serving as a director on boards of directors. With regard to Messrs. James, Hill, Goodman and Gray, Mr. Schwarzman considered their leadership and extensive knowledge of our business and operations gained through their years of service at our firm and with regard to himself, Mr. Schwarzman considered his role as founder and long-time chief executive officer of our firm.

Partnership Management and Governance

Our general partner, Blackstone Group Management L.L.C., manages all of our operations and activities. Our general partner is authorized in general to perform all acts that it determines to be necessary or appropriate to carry out our purposes and to conduct our business. Our partnership agreement provides that our general partner in managing our operations and activities is entitled to consider only such interests and factors as it desires, including its own interests, and will have no duty or obligation (fiduciary or otherwise) to give any consideration to any interest of or factors affecting us or any limited partners, and will not be subject to any different standards imposed by the partnership agreement, the Delaware Limited Partnership Act or under any other law, rule or regulation or in equity. Blackstone Group Management L.L.C. is wholly owned by our senior managing directors and controlled by our founder, Mr. Schwarzman. Our common unitholders have only limited voting rights on matters affecting our business and therefore have limited ability to influence management's decisions regarding our business. The voting rights of our common unitholders are limited as set forth in our partnership agreement and in the Delaware Limited Partnership Act.

Blackstone Group Management L.L.C. does not receive any compensation from us for services rendered to us as our general partner. Our general partner is reimbursed by us for all expenses it incurs in carrying out its activities as general partner of the Partnership, including compensation paid by the general partner to its directors and the cost of directors and officers liability insurance obtained by the general partner.

The limited liability company agreement of Blackstone Group Management L.L.C. establishes a board of directors that is responsible for the oversight of our business and operations. Our general partner's board of directors is elected in accordance with its limited liability company agreement, where our senior managing directors have agreed that our founder, Mr. Schwarzman will have the power to appoint and remove the directors of our general partner. The limited liability company agreement of our general partner provides that at such time as Mr. Schwarzman should cease to be a founder, Hamilton E. James will thereupon succeed Mr. Schwarzman as the sole founding member of our general partner, and thereafter such power will revert to the members of our general partner holding a majority in interest in our general partner. We refer to the board of directors of Blackstone Group Management L.L.C. as the "board of directors of our general partner." The board of directors of our general partner has a total of eleven members, including six members who are not officers or employees, and are otherwise independent, of Blackstone and its affiliates, including our general partner.

The board of directors of our general partner has three standing committees: the audit committee, the conflicts committee and the executive committee.

Audit Committee . The audit committee consists of Messrs. Parrett (Chairman), Grauer, Jenrette and Light and Ms. Lazarus. The purpose of the audit committee is to assist the board of directors of Blackstone Group Management L.L.C. in overseeing and monitoring (a) the quality and integrity of our financial statements, (b) our compliance with legal and regulatory requirements, (c) our independent registered public accounting firm's qualifications and independence, and (d) the performance of our independent registered public accounting firm. The members of the audit committee meet the independence standards and financial literacy requirements for service on an audit committee of a board of directors pursuant to the New York Stock Exchange listing standards and SEC rules applicable to audit committees. The board of directors of our general partner has determined that Mr. Parrett is an "audit committee financial expert" within the meaning of Item 407(d)(5) of Regulation S-K. Mr. Parrett serves on the audit committees of four public companies, including Blackstone. The board of directors of our general partner determined at its January 2016 meeting that upon consideration of all relevant facts and circumstances known to the board of directors, Mr. Parrett's simultaneous service on the audit committees of four public companies does not impair his ability to effectively serve on the audit committee of the board of directors of our general partner. The audit committee has a charter, which is available on our website at <http://ir.blackstone.com> under "Corporate Governance."

Conflicts Committee . The conflicts committee consists of Messrs. Parrett (Chairman), Grauer, Jenrette and Light and Ms. Lazarus. The conflicts committee reviews specific matters that our general partner's board of

directors believes may involve conflicts of interest. The conflicts committee determines if the resolution of any conflict of interest submitted to it is fair and reasonable to the Partnership. Any matters approved by the conflicts committee are conclusively deemed to be fair and reasonable to us and not a breach by us of any duties we may owe to our common unitholders. In addition, the conflicts committee may review and approve any related person transactions, other than those that are approved pursuant to our related person policy, as described under “— Item 13. Certain Relationships and Related Transactions, and Director Independence,” and may establish guidelines or rules to cover specific categories of transactions. The members of the conflicts committee meet the independence standards for service on an audit committee of a board of directors pursuant to federal and New York Stock Exchange rules relating to corporate governance matters.

Executive Committee . The executive committee of the board of directors of Blackstone Group Management L.L.C. consists of Messrs. Schwarzman, James, Hill, Goodman and Gray. The board of directors has delegated all of the power and authority of the full board of directors to the executive committee to act when the board of directors is not in session.

Code of Business Conduct and Ethics

We have a Code of Business Conduct and Ethics and a Code of Ethics for Financial Professionals, which apply to our principal executive officer, principal financial officer and principal accounting officer. Each of these codes is available on our website at <http://ir.blackstone.com> under “Corporate Governance.” We intend to disclose any amendment to or waiver of the Code of Ethics for Financial Professionals and any waiver of our Code of Business Conduct and Ethics on behalf of an executive officer or director either on our Internet website or in an 8-K filing.

Corporate Governance Guidelines

The board of directors of our general partner has a governance policy, which addresses matters such as the board of directors’ responsibilities and duties and the board of directors’ composition and compensation. The governance policy is available on our website at <http://ir.blackstone.com> under “Corporate Governance.”

Communications to the Board of Directors

The non-management members of our general partner’s board of directors meet at least quarterly. The presiding director at these non-management board member meetings is Mr. Parrett. All interested parties, including any employee or unitholder, may send communications to the non-management members of our general partner’s board of directors by writing to: The Blackstone Group L.P., Attn: Audit Committee, 345 Park Avenue, New York, New York 10154.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the executive officers and directors of our general partner, and persons who own more than ten percent of a registered class of the Partnership’s equity securities to file initial reports of ownership and reports of changes in ownership with the SEC and furnish the Partnership with copies of all Section 16(a) forms they file. To our knowledge, based solely on our review of the copies of such reports furnished to us or written representations from such persons that they were not required to file a Form 5 to report previously unreported ownership or changes in ownership, we believe that, with respect to the fiscal year ended December 31, 2015, such persons complied with all such filing requirements, with the exception of a late filing, due to an administrative oversight, of a Form 4 report on April 30, 2015 by Mr. Goodman reflecting the acquisition of common units that were issued as partial consideration in connection with our acquisition of GSO Capital Partners L.P.

ITEM 11. EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview of Compensation Philosophy and Program

The intellectual capital collectively possessed by our senior managing directors (including our named executive officers) and other employees is the most important asset of our firm. We invest in people. We hire qualified people, train them, encourage them to provide their best thinking to the firm for the benefit of the investors in the funds we manage, and compensate them in a manner designed to retain and motivate them and align their interests with those of the investors in our funds.

Our overriding compensation philosophy for our senior managing directors and certain other employees is that compensation should be composed primarily of (a) annual cash bonus payments tied to the performance of the applicable business unit(s) in which such employee works, (b) performance interests (composed primarily of carried interest and incentive fee interests) tied to the performance of the investments made by the funds in the business unit in which such employee works or for which he or she has responsibility, (c) deferred equity awards reflecting the value of our common units, and (d) additional cash payments and deferred equity awards tied to extraordinary performance of such employee or other circumstances (for example, if there has been a change of role or responsibility). We believe base salary should represent a significantly lesser component of total compensation. We believe the appropriate combination of annual cash bonus payments and performance interests or deferred equity awards encourages our senior managing directors and other employees to focus on the underlying performance of our investment funds, as well as the overall performance of the firm and interests of our common unitholders. To that end, the primary form of compensation to our senior managing directors and other employees who work in our carry fund operations is generally a combination of annual cash bonus payments related to the performance of those carry fund operations, carried interest or incentive fee interests and, in specified cases, deferred equity awards. Along the same lines, the primary form of compensation to our senior managing directors and other employees who do not work in our carry fund operations is generally a combination of annual cash bonus payments tied to the performance of the applicable business unit in which such employee works and deferred equity awards.

Employees at higher total compensation levels are generally targeted to receive a greater percentage of their total compensation payable in annual cash bonuses, participation in performance interests, and deferred equity awards and a lesser percentage in the form of base salary compared to employees who are paid less. We believe that the proportion of compensation that is “at risk” should increase as an employee’s level of responsibility rises.

Our compensation program includes significant elements that discourage excessive risk taking and aligns the compensation of our employees with the long-term performance of the firm. For example, notwithstanding the fact that for accounting purposes we accrue compensation for the Performance Plans (as defined below) related to our carry funds as increases in the carrying value of the portfolio investments are recorded in those carry funds, we only make cash payments to our employees related to carried interest when profitable investments have been realized and cash is distributed first to the investors in our funds, followed by the firm and only then to employees of the firm. Moreover, if a carry fund fails to achieve specified investment returns due to diminished performance of later investments, our Performance Plans entitle us to “claw back” carried interest payments previously made to an employee for the benefit of the limited partner investors in that fund, and we escrow a portion of all carried interest payments made to employees to help fund their potential future “clawback” obligations, all of which further discourages excessive risk-taking by our employees. Similarly, for our investment funds that pay incentive fees, those incentive fees are only paid to the firm and employees of the firm to the extent an applicable fund’s portfolio of investments has profitably appreciated in value (in most cases above a specified level) during the applicable period. In addition, and as noted below with respect to our named executive officers, the requirement that we have our professional employees invest in certain of the funds they manage directly aligns the interests of our professionals and our investors. In most cases, these investments represent a significant percentage of employees’ after-tax compensation. Lastly, because our deferred equity awards have significant vesting or deferral provisions, the actual amount of compensation realized by the recipient will be tied directly to the long-term performance of our common units.

We believe our current compensation and benefit allocations for senior professionals are best in class and are consistent with companies in the alternative asset management industry. We do not generally rely on compensation surveys or compensation consultants. Our senior management periodically reviews the effectiveness and competitiveness of our compensation program, and such reviews may in the future involve the assistance of independent consultants.

Personal Investment Obligations. As part of our compensation philosophy and program, we require our named executive officers to personally invest their own capital in and alongside the funds that we manage. We believe that this strengthens the alignment of interests between our executive officers and the investors in those investment funds. (See “— Item 13. Certain Relationships and Related Transactions, and Director Independence — Investment in or Alongside Our Funds”.) In determining compensation for our named executive officers, we do not take into account the gains or losses attributable to the personal investments by our named executive officers in our investment funds.

For equity awards granted in 2014 and prior years, we also require each of our named executive officers to hold at least 25% of their vested units (other than vested units awarded under our Deferred Compensation Plan) throughout their employment with the firm and generally for one year following the termination of employment. We believe the continued ownership by our named executive officers of significant amounts of our equity through their direct and indirect interests in the Blackstone Holdings Partnerships affords significant alignment of interests with our common unitholders. In 2015, we revised the minimum retained ownership requirement in order to strengthen retention incentives. As a result, for equity awards granted in 2015 and onward our named executive officers are required to hold 25% of their vested units (other than vested units awarded under our Deferred Compensation Plan) until the earlier of (1) ten years after the applicable vesting date and (2) one year following termination of employment.

Named Executive Officers

In 2015, our named executive officers were:

<u>Executive</u>	<u>Title</u>
Stephen A. Schwarzman	Chairman and Chief Executive Officer
Hamilton E. James	President, Chief Operating Officer
J. Tomilson Hill	Vice Chairman
Michael S. Chae	Chief Financial Officer
Laurence A. Tosi	Former Chief Financial Officer
John G. Finley	Chief Legal Officer

On July 23, 2015, Mr. Tosi resigned from his position as Chief Financial Officer, effective August 7, 2015. Simultaneously, we announced the appointment of Michael S. Chae as Chief Financial Officer, effective upon Mr. Tosi’s departure. In recognition of Mr. Tosi’s significant contributions to the firm over the course of his tenure as Chief Financial Officer and as consideration for a general release of claims in favor of the firm and its related parties, we determined it was appropriate to enter into a withdrawal agreement with Mr. Tosi which provided for a lump-sum cash payment as well as modifications to two previously granted equity awards. The specific terms of Mr. Tosi’s withdrawal agreement are discussed below under “— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi.”

Compensation Elements for Named Executive Officers

The key elements of the compensation of the named executive officers listed in the tables below for 2015 were base compensation, which is composed of base salary, cash bonus and equity-based compensation, and performance compensation, which is composed of carried interest and incentive fee allocations:

1. Base Salary. Each named executive officer received a \$350,000 annual base salary in 2015, which equals the total yearly partnership drawings that were received by each of our senior managing directors prior to our initial public offering in 2007. In keeping with historical practice, we continue to pay this amount as a base salary.

2. Annual Cash Bonus Payments / Deferred Equity Awards . Since our initial public offering, Mr. Schwarzman has not received any compensation other than the \$350,000 annual salary described above and the actual realized carried interest distributions or incentive fees he may receive in respect of his participation in the carried interest or incentive fees earned from our funds through our Performance Plans described below. We believe that having Mr. Schwarzman's compensation largely based on ownership of a portion of the carried interest or incentive fees earned from our funds aligns his interests with those of the investors in our funds and our common unitholders.

Each of our named executive officers other than Mr. Schwarzman received annual cash bonus payments in 2015 in addition to their base salary. These cash payments included participation interests in the earnings of the firm's various investment businesses. Mr. Hill, who has primary responsibility for Hedge Fund Solutions, our funds of hedge funds operation, received a majority of his cash payments based upon the performance of that business. Indicative participation interests for each year were disclosed to a named executive officer at the beginning of such year and represented estimates of the expected percentage participation that such named executive officer may have had in the relevant business unit(s)' earnings for that same year. However, the ultimate cash payments paid to the named executive officers at the end of the year in respect of their participation interests were determined in the discretion of Mr. Schwarzman and Mr. James, as described below. Earnings for a business unit are calculated based on the annual operating income of that business unit and are generally a function of the performance of such business unit, which is evaluated by Mr. Schwarzman and subject to modification by the firm in its sole discretion. The ultimate cash payment amounts were based on (a) the prior and anticipated performance of the named executive officer, (b) the prior and anticipated performance of the segments and product lines in which the officer serves and for which he has responsibility, and (c) the estimated participation interests given to the officer at the beginning of the year in respect of the investments to be made in that year. We make annual cash bonus payments in the first quarter of the ensuing year to reward individual performance for the prior year. The ultimate cash payments that are made are fully discretionary as further discussed below under "— Determination of Incentive Compensation."

For 2015, all employees other than Mr. Schwarzman, who does not receive an annual cash bonus payment, were deemed eligible to participate in the Deferred Compensation Plan. The Deferred Compensation Plan provides for the deferral of a portion of each participant's annual cash bonus payment. The portion deferred is prescribed under the Deferred Compensation Plan and is subject to certain adjustments, including reductions for mandatory contributions to our investment funds. By deferring a portion of a participant's compensation for three years, the Deferred Compensation Plan acts as an employment retention mechanism and thereby enhances the alignment of interests between such participant and the firm. Many asset managers that are public companies utilize deferred compensation plans as a means of retaining and motivating their professionals, and we believe that it is in the interest of our common unitholders to do the same for our personnel. In 2014, Mr. Schwarzman and Mr. James, determined that in order to strengthen retention incentives, it was appropriate to amend and restate our Deferred Compensation Plan beginning with awards granted in 2015 in respect of 2014. In addition to modifying the deferral period from four years to three years, the amendments also revised the delivery terms of the deferral awards and replaced the former premium award component of the plan with the payment of current cash distribution equivalents on both vested and unvested deferred awards. (See "— Nonqualified Deferred Compensation for 2015 — Narrative to Nonqualified Deferred Compensation for 2015 Table".)

On January 20, 2016, Messrs. Hill and Finley each received a deferral award under the Deferred Compensation Plan of deferred restricted common units in respect of their service in 2015. The amount of each participant's annual cash bonus payment deferred under the Deferred Compensation Plan is calculated pursuant to a deferral rate table using the participant's total annual incentive compensation, which generally includes such participant's annual cash bonus payment and any incentive fees earned in connection with our investment funds and is subject to certain adjustments, including reductions for mandatory contributions to our investment funds. The percentage of the named executive officer's 2015 annual cash bonus payment mandatorily deferred into deferred restricted common units was approximately 38.4% for Mr. Hill and 27.0% for Mr. Finley. These awards are reflected as stock awards for fiscal 2015 in the Summary Compensation Table and in the Grants of Plan-

Based Awards in 2015 table. Messrs. James and Chae did not have any portion of their respective 2015 annual cash bonus payments deferred under the Deferred Compensation Plan as their mandatory contributions to our investment funds fully offset their total annual incentive compensation. In addition, since Mr. Tosi resigned from the firm prior to the determination and payment of the annual cash bonuses, he was not eligible to receive an annual cash bonus or to participate in the Deferred Compensation Plan with respect to fiscal 2015.

In January 2015, Messrs. Hill, Tosi and Finley were each awarded a discretionary award of 23,558, 117,790 and 176,685 deferred restricted Blackstone Holdings Partnership Units, respectively. These awards reflected 2014 performance and were also intended to further promote retention and to incentivize future performance. The awards were granted under the 2007 Equity Incentive Plan on July 1, 2015, subject to the named executive officer's continued employment through such date. Mr. Tosi forfeited this award in its entirety in connection with his resignation from the firm. Mr. Hill's and Mr. Finley's outstanding award vests on substantially similar terms as the deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley in 2013 and 2014, except that (1) these awards will also be forfeited if the named executive officer is terminated without cause and (2) upon a qualifying retirement, 50% of the unvested partnership units will continue to vest and be delivered over the vesting period, subject to forfeiture if the named executive officer violates any applicable provision of his employment agreement or engages in any competitive activity (as such term is defined in the applicable award agreement). This award is reflected as a stock award for fiscal 2015 in the Summary Compensation Table for 2015 and in the Grants of Plan-Based Awards in 2015 table.

In January 2016, Messrs. Hill and Chae were each awarded a discretionary award of Blackstone Holdings Partnership Units with a value of \$1,400,000 and \$25,000,000, respectively. These awards reflected 2015 performance and are also intended to further promote retention and to incentivize future performance. In addition, with respect to Mr. Chae, the award was granted in recognition of his appointment to Chief Financial Officer effective August 7, 2015. The awards will be granted under the 2007 Equity Incentive Plan and are expected to be granted on July 1, 2016, subject to the named executive officer's continued employment through such date. Other than with respect to Mr. Chae, whose outstanding award will vest annually in substantially equal installments over six years beginning in 2019, the awards will have the same vesting and other terms as the discretionary awards granted in 2015 in respect of 2014 performance. These awards will be reflected as stock awards for fiscal 2016 in the Summary Compensation Table and in the Grants of Plan-Based Awards in 2016 table.

3. Participation in Performance Fees. During 2015, all of our named executive officers participated in the carried interest of our carry funds or the incentive fees of our funds that pay incentive fees through their participation interests in the carry or incentive fee pools generated by these funds. The carry or incentive fee pool with respect to each fund in a given year is funded by a fixed percentage of the total amount of carried interest or incentive fees earned by Blackstone for such fund in that year. We refer to these pools and employee participation therein as our "Performance Plans" and payments made thereunder as performance payments. Because the aggregate amount of performance payments payable through our Performance Plans is directly tied to the performance of the funds, we believe this fosters a strong alignment of interests between the investors in those funds and these named executive officers, and therefore benefits our unitholders. In addition, most alternative asset managers, including several of our competitors, use participation in carried interest or incentive fees as a central means of compensating and motivating their professionals, and we believe that we must do the same in order to attract and retain the most qualified personnel. For purposes of our financial statements, we are treating the income allocated to all our personnel who have participation interests in the carried interest or incentive fees generated by our funds as compensation, and the amounts of carried interest and incentive fees earned by named executive officers are reflected as "All Other Compensation" in the Summary Compensation Table. Cash payments in respect of our Performance Plans for each named executive officer are determined on the basis of the percentage participation in the relevant investments previously allocated to that named executive officer, which percentage participations are established in January in each year in respect of the investments to be made in that year. The percentage participation for a named executive officer may vary from year to year and fund to fund due to several factors, and may include changes in the size and composition of the pool of

Blackstone personnel participating in such Performance Plan in a given year, the performance of our various businesses, new developments in our businesses and product lines, and the named executive officer's leadership and oversight of the business or corporate function for which the named executive officer is responsible and such named executive officer's contributions with respect to our strategic initiatives and development. In addition, certain of our employees, including our named executive officers, may participate in profit sharing initiatives whereby these individuals may receive allocations of investment income from Blackstone's firm investments. Our employees, including our named executive officers, may also receive equity awards in our investment advisory clients and/or be allocated securities of such clients that we have received.

(a) *Carried Interest.* Distributions of carried interest in cash (or, in some cases, in-kind) to our named executive officers and other employees who participate in our Performance Plans relating to our carry funds depends on the realized proceeds and timing of the cash realizations of the investments owned by the carry funds in which they participate. Our carry fund agreements also set forth specified preconditions to a carried interest distribution, which typically include that there must have been a positive return on the relevant investment and that the fund must be above its carried interest hurdle rate. In addition, as described below, employees or senior managing directors may also be required to have fulfilled specified service requirements in order to be eligible to receive carried interest distributions. For our carry funds, carried interest distributions for the named executive officer's participation interests are generally made to the named executive officer following the actual realization of the investment, although a portion of such carried interest is held back by the firm in respect of any future "clawback" obligation related to the fund. In allocating participation interests in the carry pools, we have not historically taken into account or based such allocations on any prior or projected triggering of any "clawback" obligation related to any fund. To the extent any "clawback" obligation were to be triggered, carried interest previously distributed to a named executive officer would have to be returned to the limited partners of such fund, thereby reducing the named executive officer's overall compensation for any such year. Moreover, because a carried interest recipient (including Blackstone itself) may have to fund more than his or her respective share of a "clawback" obligation under the governing documents (generally, up to an additional 50%), there is the possibility that the compensation paid to a named executive officer for any given year could be significantly reduced or even negative in the event a "clawback" obligation were to arise.

Participation in carried interest generated by our carry funds for all participating named executive officers other than Mr. Schwarzman is subject to vesting. Vesting serves as an employment retention mechanism and thereby enhances the alignment of interests between a participant in our Performance Plans and the firm. For carried interest allocated on or prior to December 31, 2012 and carried interest earned in certain of our credit funds, each participating named executive officer (other than Mr. Schwarzman) vests in 25% of the carried interest related to an investment immediately upon the closing of the investment by a carry fund with the remainder vesting in equal installments on the first through third anniversary of the closing of that investment (unless an investment is realized prior to the expiration of such three-year anniversary, in which case such active executive officer is deemed 100% vested in the proceeds of such realizations). For carried interest allocated after December 31, 2012, the carried interest related to an investment vests in equal installments on the first through fourth anniversary of the closing of that investment (unless an investment is realized prior to the expiration of such four-year anniversary, in which case such active executive officer is deemed 100% vested in the proceeds of such realizations). In addition, any named executive officer who is retirement eligible will automatically vest in 50% of their otherwise unvested carried interest allocation upon retirement. (See "— Non-Competition and Non-Solicitation Agreements — Retirement.") We believe that vesting of carried interest participation enhances the stability of our senior management team and provides greater incentives for our named executive officers to remain at the firm. Due to his unique status as a founder and the long-time chief executive officer of our firm, Mr. Schwarzman vests in 100% of his carried interest participation related to any investment by a carry fund upon the closing of that investment.

(b) *Incentive Fees.* Cash distributions of incentive fees to our named executive officers and other employees who participate in our Performance Plans relating to the funds that pay incentive fees depends on the performance of the investments owned by those funds in which they participate. For our investment funds that

pay incentive fees, those incentive fees are only paid to the firm and employees of the firm to the extent an applicable fund's portfolio of investments has profitably appreciated in value (in most cases above a specified level) during the applicable period and following the calculation of the profit split (if any) between the fund's general partner or investment adviser and the fund's investors, which occurs once a year (generally December 31 or June 30 of each year).

(c) *Investment Advisory Client Interests*. BXMT is an investment advisory client of Blackstone. Compensation we receive from investment advisory clients in the form of securities may be allocated to employees and senior managing directors. For example, in 2015, Messrs. Schwarzman, James, Tosi and Finley were allocated restricted shares of listed common stock of BXMT in connection with investment advisory services provided by Blackstone to BXMT. The value of these allocated restricted shares is reflected as "All Other Compensation" in the Summary Compensation Table.

4. *Other Benefits*. Upon the consummation of our initial public offering in June 2007, we entered into a founding member agreement with our founder, Mr. Schwarzman, which provides specified benefits to him following his retirement. (See "— Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Schwarzman Founding Member Agreement".) Mr. Schwarzman is provided certain security services, including home security systems and monitoring, and personal and related security services. These security services are provided for our benefit, and the board of directors of our general partner considers the related expenses to be appropriate business expenses rather than personal benefits for Mr. Schwarzman. Nevertheless, the expenses associated with these security services are reflected in the "All Other Compensation" column of the Summary Compensation Table below.

Determination of Incentive Compensation

As our founder, Mr. Schwarzman sets his own compensation and reserves final approval of each named executive officer's compensation, based in large part on recommendations from Mr. James. For 2015, these decisions were based primarily on Mr. Schwarzman's and Mr. James's assessment of such named executive officer's individual performance, operational performance for the segments or product lines in which the officer serves or for which he has responsibility, and the officer's potential to enhance investment returns for the investors in our funds and service to our advisory clients, and to contribute to long-term unitholder value. In evaluating these factors, Mr. Schwarzman and Mr. James relied upon their judgment to determine the ultimate amount of a named executive officer's annual cash bonus payment and participation in carried interest, incentive fees and investment advisory client interests that was necessary to properly induce the named executive officer to seek to achieve our objectives and reward a named executive officer in achieving those objectives over the course of the prior year. Key factors that Mr. Schwarzman considered in making such determination with respect to Mr. James were his service as President and Chief Operating Officer, his role in overseeing the growth and operations of the firm, and his leadership on the strategic direction of the firm generally. Key factors that Mr. Schwarzman and Mr. James considered in making such determinations with respect to Mr. Hill were his leadership and oversight of our Hedge Fund Solutions business, including his role in the oversight and development of new products and strategies, and his leadership on strategic initiatives undertaken by the firm. Key factors that Mr. Schwarzman and Mr. James considered in making such determinations with respect to Mr. Chae were his leadership and oversight of our global finance, treasury, technology and corporate development function and his role in strategic initiatives undertaken by the firm. Key factors that Mr. Schwarzman and Mr. James considered in making such determinations with respect to Mr. Finley were his leadership and oversight of our global legal and compliance functions, his role in positioning the firm to be compliant with and respond to inquiries and requests of the regulatory bodies that regulate and monitor the public company as well as our investment businesses, and his role in strategic initiatives undertaken by the firm. For 2015, Mr. Schwarzman and Mr. James also considered each named executive officer's prior-year annual cash bonus payments, indicative participation interests disclosed to the named executive officer at the beginning of the year, his allocated share of performance interests through participation in our Performance Plans, the appropriate balance between incentives for long-term and short-term performance, and the compensation paid to the named

executive officer's peers within the firm. Since Mr. Tosi resigned from the firm prior to the determination and payment of the annual cash bonuses, he was not eligible to receive an annual cash bonus with respect to fiscal 2015.

Minimum Retained Ownership Requirements

The minimum retained ownership requirements for our named executive officers for equity awards granted in 2015 and prior years are described below under “— Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Terms of Blackstone Holdings Partnership Units Granted in 2015 and Prior Years — Minimum Retained Ownership Requirements.” The changes made to the minimum retained ownership requirements for equity awards to be granted in 2015 and future years are described above under “— Compensation Discussion and Analysis — Overview of Compensation Philosophy and Program — Personal Investment Obligations.”

Compensation Committee Report

The board of directors of our general partner does not have a compensation committee. The members of the executive committee of the board of directors identified below have reviewed and discussed with management the foregoing Compensation Discussion and Analysis and, based on such review and discussion, have determined that the Compensation Discussion and Analysis should be included in this annual report.

Stephen A. Schwarzman, Chairman

Hamilton E. James

J. Tomilson Hill

Bennett J. Goodman

Jonathan D. Gray

Compensation Committee Interlocks and Insider Participation

As described above, we do not have a compensation committee. Our founder Mr. Schwarzman makes all such compensation determinations based in large part on recommendations from Mr. James. For a description of certain transactions between us and Mr. Schwarzman, see “— Item 13. Certain Relationships and Related Transactions, and Director Independence.”

Summary Compensation Table

The following table provides summary information concerning the compensation of our Chief Executive Officer, our current Chief Financial Officer, our former Chief Financial Officer who resigned effective August 7, 2015 and each of our three other most highly compensated employees who served as executive officers at December 31, 2015, for services rendered to us. These individuals are referred to as our named executive officers in this annual report.

Name and Principal Position	Year	Salary	Bonus (a)	Stock Awards (b)	All Other Compensation (c)	Total
Stephen A. Schwarzman	2015	\$ 350,000	\$ —	\$ —	\$ 89,137,817	\$ 89,487,817
Chairman and Chief Executive Officer	2014	\$ 350,000	\$ —	\$ —	\$ 85,538,640	\$ 85,888,640
	2013	\$ 350,000	\$ —	\$ —	\$ 21,641,142	\$ 21,991,142
Hamilton E. James	2015	\$ 350,000	\$ 35,246,105	\$ —	\$ 40,312,608	\$ 75,908,713
President Chief Operating Officer	2014	\$ 350,000	\$ 37,435,891	\$ 679,326	\$ 39,866,813	\$ 78,332,030
	2013	\$ 350,000	\$ 34,471,212	\$ —	\$ 8,233,031	\$ 43,054,243
J. Tomilson Hill	2015	\$ 350,000	\$ 9,253,650	\$ 5,521,215	\$ 1,634,816	\$ 16,759,681
Vice Chairman	2014	\$ 350,000	\$ 13,557,310	\$ 11,243,928	\$ 789,052	\$ 25,940,290
	2013	\$ 350,000	\$ 11,056,098	\$ 14,515,676	\$ (49,282)	\$ 25,872,492
Michael S. Chae	2015	\$ 350,000	\$ 4,650,000	\$ —	\$ 6,976,078	\$ 11,976,078
Chief Financial Officer						
Laurence A. Tosi	2015	\$ 210,898	\$ —	\$ 11,708,630	\$ 5,795,763	\$ 17,715,291
Former Chief Financial Officer	2014	\$ 350,000	\$ 6,632,140	\$ 2,724,339	\$ 5,265,348	\$ 14,971,827
	2013	\$ 350,000	\$ 7,254,261	\$ 729,067	\$ 2,245,049	\$ 10,578,377
John G. Finley	2015	\$ 350,000	\$ 3,284,157	\$ 8,188,928	\$ 1,365,090	\$ 13,188,175
Chief Legal Officer	2014	\$ 350,000	\$ 3,981,393	\$ 2,049,828	\$ 1,288,606	\$ 7,669,827
	2013	\$ 350,000	\$ 4,212,555	\$ 243,022	\$ 536,357	\$ 5,341,934

(a) The amounts reported in this column reflect the annual cash bonus payments made for performance in the indicated year.

The amounts reported as “bonus” for 2015 for Messrs. Hill and Finley are shown net of their respective mandatory deferral pursuant to the Deferred Compensation Plan. The deferred amounts for 2015 were as follows: Mr. Hill, \$5,766,064 and Mr. Finley, \$1,213,353. For additional information on the Deferred Compensation Plan, see “— Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Deferred Compensation Plan.”

(b) The reference to “stock” in this table refers to deferred restricted Blackstone Holdings Partnership Units or deferred restricted common units. The amounts reported in this column represent the grant date fair value of stock awards granted for financial statement reporting purposes in accordance with GAAP pertaining to equity-based compensation. The assumptions used in determining the grant date fair value are set forth in Note 16. “Equity-Based Compensation” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data.”

Amounts reported for 2015 reflect the following deferred equity awards granted on January 20, 2016 for 2015 performance pursuant to the Deferred Compensation Plan: Mr. Hill, 191,883 deferred restricted common units with a grant date fair value of \$4,557,221 and Mr. Finley, 40,378 deferred restricted common units with a grant date fair value of \$958,978. The grant date fair value of the stock award reflecting the deferred bonus amount is computed in accordance with GAAP and generally differs from the dollar amount of the portion of the bonus that is required to be deferred under the Deferred Compensation Plan. For additional information on the Deferred Compensation Plan, see “— Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Deferred Compensation Plan.”

Amounts reported for 2015 also reflect the following discretionary equity awards granted on July 1, 2015 under the 2007 Equity Incentive Plan: Mr. Hill, 23,558 deferred restricted Blackstone Holdings Partnership Units, Mr. Tosi, 117,790 deferred restricted Blackstone Holdings Partnership Units and Mr. Finley, 176,685 deferred restricted Blackstone Holdings Partnership Units. The July 1, 2015 grant date fair value of the stock award reflecting the discretionary equity award amount is computed in accordance with GAAP and generally differs from the dollar amount of the discretionary equity award which was determined in January 2015. Mr. Tosi's award was forfeited in its entirety in connection with his resignation from the firm.

Pursuant to the terms of Mr. Tosi's withdrawal agreement, we agreed to modify (1) his award of 49,925 deferred restricted common units granted on January 16, 2015 to provide that, notwithstanding his resignation, the units will continue to vest and be settled in accordance with their terms, subject to Mr. Tosi's continued compliance with his non-competition and non-solicitation agreement through each applicable vesting date and (2) his award of 344,154 unvested deferred restricted Blackstone Holdings Partnership Units granted on January 26, 2011, which was scheduled to cliff vest in full on January 1, 2016, by allowing him to vest in a number of Blackstone Holdings Partnership Units intended to approximate the grant date fair value of the original award. These actions were accounted for as modifications for financial statement reporting purposes in accordance with GAAP and the amount reported for 2015 for Mr. Tosi reflects the incremental fair value, computed as of the August 7, 2015 deemed modification date in accordance with GAAP, with respect to each modified award. Mr. Tosi's withdrawal agreement with the firm, including the modifications to his 2015 deferred equity awards, is further discussed below under "— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi."

- (c) Amounts reported for 2015 include cash payments in respect of carried interest or incentive fee allocations relating to our Performance Plans to the named executive officer in 2015 as follows: \$88,296,986 for Mr. Schwarzman, \$40,114,165 for Mr. James, \$6,976,078 for Mr. Chae, \$1,634,816 for Mr. Hill, \$5,235,443 for Mr. Tosi and \$1,344,983 for Mr. Finley, respectively. Amount reported for Mr. Tosi also includes payments in connection with participation in certain profit sharing initiatives with respect to Blackstone's firm investments. Any in-kind distributions in respect of carried interest are reported based on the market value of the securities distributed as of the date of distribution. For 2015, Messrs. Schwarzman, James and Chae were the only named executive officers who received such in-kind distributions. We have determined to present compensation relating to carried interest and incentive fees within the Summary Compensation Table in the year in which such compensation is paid to the named executive officer under the terms of the relevant Performance Plan. Accordingly, the amounts presented in the table differ from the compensation expense recorded by us on an accrual basis for such year in respect of carried interest and incentive fees allocable to a named executive officer, which accrued amounts for 2015 are separately disclosed in this footnote to the Summary Compensation Table. We believe that the presentation of the actual amounts of carried interest- and incentive fee-related compensation earned by a named executive officer during the year, instead of the amounts of compensation expense we have recorded on an accrual basis, most appropriately reflects the actual compensation received by the named executive officer and represents the amount most directly aligned with the named executive officer's actual performance. By contrast, the amount of compensation expense accrued in respect of carried interest and incentive fees allocable to a named executive officer can be highly volatile from year to year, with amounts accrued in one year being reversed in a following year, and vice versa, causing such amounts to be less useful as a measure of the compensation actually earned by a named executive officer in any particular year.

To the extent compensation expense recorded by us on an accrual basis in respect of carried interest or incentive fee allocations (rather than cash payments) were to be included for 2015, the amounts would be \$99,273,000 for Mr. Schwarzman, \$60,336,664 for Mr. James, \$2,420,174 for Mr. Hill, \$15,430,761 for Mr. Chae, \$4,650,443 for Mr. Tosi and \$1,618,340 for Mr. Finley. For financial statement reporting purposes, the accrual of compensation expense is equal to the amount of carried interest and incentive fees related to performance fee revenues as of the last day of the relevant period as if the performance fee revenues in the funds generating such carried interest or incentive fees were realized as of the last day of the relevant period.

With respect to Messrs. Schwarzman, James, Tosi and Finley, amounts shown for 2015 also include the value of restricted shares of listed common stock of BXMT allocated to such named executive officers based on the closing price of BXMT's common stock on the date of the award as follows: \$604,539 for Mr. Schwarzman, \$198,443 for Mr. James, \$60,320 for Mr. Tosi (a portion of which was forfeited upon his resignation) and \$20,107 for Mr. Finley. These restricted shares will vest over three years with one-sixth of the shares vesting at the end of the second quarter after the date of the award and the remaining shares vesting in ten equal quarterly installments thereafter.

With respect to Mr. Tosi, amount shown for 2015 also includes a \$500,000 lump-sum cash payment paid to Mr. Tosi on November 17, 2015 pursuant to the terms of his withdrawal agreement. Mr. Tosi's withdrawal agreement with the firm is further discussed below under "— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi."

With the exception of \$236,292 of expenses related to security services for Mr. Schwarzman in 2015, perquisites and other personal benefits to the named executive officers were less than \$10,000 and information regarding perquisites and other personal benefits has therefore not been included. As noted above under "— Compensation Discussion and Analysis — Compensation Elements for Named Executive Officers — Other Benefits," we consider the expenses for security services for Mr. Schwarzman to be for our benefit, and the board of directors of our general partner considers the related expenses to be appropriate business expenses rather than personal benefits for Mr. Schwarzman. Mr. Schwarzman makes business and personal use of a car and driver and he and members of his family also make occasional business and personal use of an airplane in which we have a fractional interest and in each case he bears the full cost of such personal usage. In addition, certain Blackstone personnel administer personal matters for Mr. Schwarzman and certain matters for the Stephen A. Schwarzman Education Foundation ("SASEF"), and Mr. Schwarzman and SASEF, respectively, bear the full incremental cost to us of such personnel. Mr. James and members of his family make occasional business and personal use of an airplane in which we have a fractional interest and he bears the full incremental cost of such personal usage. There is no incremental expense incurred by us in connection with the use of any car and driver, airplane or personnel by either of Messrs. Schwarzman or James, as described above.

During 2015, cash distributions to our named executive officers in respect of Blackstone legacy funds and investments that were not contributed to Blackstone Holdings pursuant to the reorganization were \$11,110 dollars to Mr. Schwarzman and \$4,280 dollars to Mr. James.

Grants of Plan-Based Awards in 2015

The following table provides information concerning unit awards granted in 2015 or, for deferred restricted common units granted under the Deferred Compensation Plan, with respect to 2015, to our named executive officers:

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (a)	Grant Date Fair Value of Stock and Option Awards (a)
Stephen A. Schwarzman	—	—	\$ —
Hamilton E. James	—	—	\$ —
J. Tomilson Hill	7/1/2015	23,558(b)	\$ 963,993
	1/20/2016	191,883(c)	\$4,557,221
Michael S. Chae	—	—	\$ —
Laurence A. Tosi	7/1/2015	117,790(b)	\$4,819,967
	8/7/2015	176,604(d)	\$5,000,000
	8/7/2015	49,925(d)	\$1,888,663
John G. Finley	7/1/2015	176,685(b)	\$7,229,950
	1/20/2016	40,378(c)	\$ 958,978

- (a) The references to “stock” or “shares” in this table refer to deferred restricted Blackstone Holdings Partnership Units or our deferred restricted common units.
- (b) Represents deferred restricted Blackstone Holdings Partnership Units granted under our 2007 Equity Incentive Plan and reflects 2015 performance. Mr. Tosi forfeited this award in its entirety in connection with his resignation from the firm.
- (c) Represents deferred restricted common units granted in 2016 under the Deferred Compensation Plan for 2015 performance. These grants are reflected in the “Stock Awards” column of the Summary Compensation Table in 2015. (See “— Nonqualified Deferred Compensation for 2015 — Narrative to Nonqualified Deferred Compensation for 2015 Table.”) These grants are reflected in the “Stock Awards” column of the Summary Compensation Table in 2015.
- (d) Pursuant to the terms of Mr. Tosi’s withdrawal agreement, we agreed to modify (1) his award of 49,925 deferred restricted common units granted on January 16, 2015 to provide that, notwithstanding his resignation, the units will continue to vest and be settled in accordance with their terms, subject to Mr. Tosi’s continued compliance with his non-competition and non-solicitation agreement through each applicable vesting date and (2) his award of 344,154 unvested deferred restricted Blackstone Holdings Partnership Units granted on January 26, 2011, which was scheduled to cliff vest in full on January 1, 2016, by allowing him to vest in a number of Blackstone Holdings Partnership Units intended to approximate the grant date fair value of the original award. The actual number of vested Blackstone Holdings Partnership Units was based on fair market value equal to \$5,000,000 using a 60-day day volume weighted average price as of February 1, 2016. These actions were accounted for as modifications for financial statement reporting purposes in accordance with GAAP and the amounts reported for 2015 for Mr. Tosi reflect the incremental fair value, computed as of the August 7, 2015 deemed modification date in accordance with GAAP, with respect to each modified award. Mr. Tosi’s withdrawal agreement with the firm, including the modifications to his two previously granted equity awards, is further discussed below under “— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi.”

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015

Terms of Blackstone Holdings Partnership Units Granted in 2015 and Prior Years

Our pre-IPO owners, including our named executive officers other than Mr. Tosi and Mr. Finley, received Blackstone Holdings Partnership Units in the reorganization in exchange for the contribution of their equity interests in our operating subsidiaries to Blackstone Holdings. Each of Mr. Tosi and Mr. Finley received grants of Blackstone Holdings Partnership Units following the commencement of their employment with us under our 2007 Equity Incentive Plan. Subject to the vesting and minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings Partnerships, these partnership units may be exchanged for our common units as described under “— Item 13. Certain Relationships and Related Transactions, and Director Independence — Exchange Agreement” below.

Vesting Provisions . The Blackstone Holdings Partnership Units received by our named executive officers (other than Mr. Tosi and Mr. Finley) in the reorganization have the following vesting provisions:

- 25% of the Blackstone Holdings Partnership Units received by Mr. Schwarzman in the reorganization in exchange for the contribution of his equity interests in our operating subsidiaries were fully vested, with the remaining 75% vesting, subject to Mr. Schwarzman’s continued employment, in equal installments on each anniversary of our initial public offering (June 21, 2007) over four years. All of the Blackstone Holdings Partnership Units received by Mr. Schwarzman in the reorganization in exchange for his interests in carried interest relating to investments made by our carry funds prior to the date of the contribution were fully vested; and
- 25% of the Blackstone Holdings Partnership Units received by each of Messrs. James, Hill and Chae in the reorganization in exchange for the contribution of his equity interests in our operating subsidiaries were fully vested. The remaining units vest, subject to the named executive officer’s continued employment, in equal installments on each anniversary of our initial public offering over up to eight years and are now fully vested. All of the Blackstone Holdings Partnership Units received by Messrs. James, Hill and Chae in the reorganization in exchange for their interests in carried interest relating to investments made by our carry funds prior to the date of the contribution were fully vested.

As discussed under “— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi” below, in connection with Mr. Tosi’s resignation from the firm, we agreed to modify the terms of his 2015 equity awards. All of Mr. Tosi’s other unvested deferred restricted common units and deferred restricted Blackstone Holdings Partnership Units were immediately forfeited upon his resignation.

The 500,000 deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley in 2010 under the 2007 Equity Incentive Plan vested in equal installments over five years on each anniversary of his hire date (September 1, 2010). The 20,454 deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley in 2012 under the 2007 Equity Incentive Plan vested 20% on July 1, 2015 and vest 30% on July 1, 2016 and 50% on July 1, 2017. The 11,578 deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley, in 2013 under the 2007 Equity Incentive Plan vest 20% on July 1, 2016, 30% on July 1, 2017 and 50% on July 1, 2018. The 31,071 deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley in 2014 under the 2007 Equity Incentive Plan vest 20% on July 1, 2017, 30% on July 1, 2018 and 50% on July 1, 2019. The 176,685 deferred restricted Blackstone Holdings Partnership Units granted to Mr. Finley in 2015 under the 2007 Equity Incentive Plan vest 20% July 1, 2018, 30% on July 1, 2019 and 50% on July 1, 2020.

Except as described below, unvested deferred restricted Blackstone Holdings Partnership Units are generally forfeited upon termination of employment. With respect to Mr. Finley, the deferred restricted Blackstone Holdings Partnership Units granted to him in 2013 and 2014 will become fully vested if he is terminated by us without cause. A named executive officer who leaves our firm to accept specified types of positions in government service will continue to vest in units as if he had not left our firm during the period of government service. In addition, upon the death or permanent disability of a named executive officer, all of his unvested deferred restricted Blackstone

Holdings Partnership Units held at that time will vest immediately. In connection with a named executive officer's termination of employment due to qualifying retirement, with respect to unvested deferred restricted Blackstone Holdings Partnership Units granted in 2014 and prior years, 50% of such units will generally be entitled to accelerated vesting and, with respect to unvested deferred restricted Blackstone Holdings Partnership Units granted in 2015 and 2016, 50% of such units will continue to vest and be delivered over the vesting period, subject to forfeiture if the named executive officer violates any applicable provision of his employment agreement or engages in any competitive activity (as such term is defined in the applicable award agreement). (See "Non-Competition and Non-Solicitation Agreements—Retirement.") Further, in the event of a change in control (defined in the Blackstone Holdings partnership agreements as the occurrence of any person becoming the general partner of The Blackstone Group L.P. other than a person approved by the current general partner), any deferred restricted Blackstone Holdings Partnership Units will automatically be deemed vested as of immediately prior to such change in control.

All vested and unvested Blackstone Holdings Partnership Units and deferred restricted Blackstone Holdings Partnership Units (and our common units received in exchange for such Blackstone Holdings Partnership Units) held by a named executive officer will be immediately forfeited in the event he materially breaches any of his restrictive covenants set forth in the non-competition and non-solicitation agreement outlined under "Non-Competition and Non-Solicitation Agreements" or his service is terminated for cause.

Minimum Retained Ownership Requirements . For units granted in 2014 and prior years, while employed by us and generally for one year following the termination of employment, each of our named executive officers (except as otherwise provided below) will be required to continue to hold (and may not transfer) at least 25% of all vested units (other than vested units awarded under our Deferred Compensation Plan) received by him. For units granted in 2015 and future years each of our named executive officers (except as otherwise provided below) will be required to hold 25% of their vested units (other than vested units awarded under our Deferred Compensation Plan) until the earlier of (1) ten years after the applicable vesting date and (2) one year following termination of employment. The requirement that one continue to hold at least 25% of such vested units is subject to the qualification in Mr. Schwarzman's case that in no event will he be required to hold units having a market value greater than \$1.5 billion. Each of our named executive officers is in compliance with these minimum retained ownership requirements.

Transfer Restrictions . None of our named executive officers may transfer Blackstone Holdings Partnership Units other than pursuant to transactions or programs approved by our general partner.

This transfer restriction applies to sales, pledges of Blackstone Holdings Partnership Units, grants of options, rights or warrants to purchase Blackstone Holdings Partnership Units or swaps or other arrangements that transfer to another, in whole or in part, any of the economic consequences of ownership of the Blackstone Holdings Partnership Units other than as approved by our general partner. We expect that our general partner will approve pledges or transfers to personal planning vehicles beneficially owned by the families of our pre-IPO owners and charitable gifts, provided that the pledgee, transferee or donee agrees to be subject to the same transfer restrictions (except as specified above with respect to Mr. Schwarzman). Transfers to Blackstone are also exempt from the transfer restrictions.

The transfer restrictions set forth above will continue to apply generally for one year following the termination of employment of a named executive officer other than Mr. Schwarzman for any reason, except that the transfer restrictions set forth above will lapse upon death or permanent disability. The transfer restrictions will lapse in the event of a change in control (as defined above).

The Blackstone Holdings Partnership Units received by other Blackstone personnel in the reorganization and pursuant to the 2007 Equity Incentive Plan are also generally subject to the vesting and minimum retained ownership requirements and transfer restrictions applicable to our named executive officers other than Mr. Schwarzman, although non-senior managing directors are also generally subject to vesting in respect of a portion of the Blackstone Holdings Partnership Units received by such personnel in the reorganization in exchange for their interests in carried interest.

Schwarzman Founding Member Agreement

Upon the consummation of our initial public offering, we entered into a founding member agreement with Mr. Schwarzman. Mr. Schwarzman's agreement provides that he will remain our Chairman and Chief Executive Officer while continuing service with us and requires him to give us six months' prior written notice of intent to terminate service with us. The agreement provides that following retirement, Mr. Schwarzman will be provided with specified retirement benefits, including that he will be permitted until the third anniversary of his retirement date to retain his current office and will be provided with a car and driver. Commencing on the third anniversary of his retirement date and continuing until the tenth anniversary thereof, we will provide him with an appropriate office if he so requests. Additionally, Mr. Schwarzman will be provided with an assistant and access to office services during the ten-year period following his retirement date.

Mr. Schwarzman will also continue to receive health benefits following his retirement until his death, subject to his continuing payment of the related health insurance premiums consistent with current policies. Additionally, before his retirement and during the ten-year period thereafter, Mr. Schwarzman and any foundations he may establish may continue to invest in our investment funds on a basis generally consistent with that of other partners.

Senior Managing Director Agreements

Upon the consummation of our initial public offering, we entered into substantially similar senior managing director agreements with each of our named executive officers and other senior managing directors other than our founder, Mr. Tosi and Mr. Finley. Senior managing directors who have joined the firm after our initial public offering (including Mr. Tosi and Mr. Finley) have also entered into senior managing director agreements. The agreements generally provide that each senior managing director will devote substantially all of his or her business time, skill, energies and attention to us in a diligent manner. Each senior managing director will be paid distributions and benefits in amounts determined by Blackstone from time to time in its sole discretion. The agreements require us to provide the senior managing director with 90 days' prior written notice prior to terminating his or her service with us (other than a termination for cause). Additionally, the agreements require each senior managing director to give us 90 days' prior written notice of intent to terminate service with us and require the senior managing director to be placed on a 90-day period of "garden leave" following the senior managing director's termination of service (as further described under the caption "— Non-Competition and Non-Solicitation Agreements" below).

Outstanding Equity Awards at 2015 Fiscal Year End

The following table provides information regarding outstanding unvested equity awards made to our named executive officers as of December 31, 2015. In connection with the spin-off of the operations that historically constituted Blackstone's Financial Advisory segment, other than Blackstone's capital markets services business, unvested deferred restricted common units and unvested deferred restricted Blackstone Holdings Partnership Units were generally adjusted by granting additional unvested deferred restricted units in order to maintain the intrinsic value of each award as required pursuant to the terms of the 2007 Equity Incentive Plan. The awards otherwise retained the original terms and conditions after adjustment.

Name	Stock Awards (a)	
	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested (b)
Stephen A. Schwarzman	—	\$ —
Hamilton E. James (c)	—	\$ —
J. Tomilson Hill (c)	190,469	\$ 5,569,314
Michael S. Chae	—	\$ —
Laurence A. Tosi (d)	50,718	\$ 1,482,994
John G. Finley	310,188	\$ 8,848,222

- (a) The references to “stock” or “shares” in this table refer to unvested deferred restricted Blackstone Holdings Partnership Units and unvested deferred restricted common units granted under the Deferred Compensation Plan (including deferred restricted common units granted to Mr. Finley in 2016 in respect of 2015 performance and the unvested premium portion of deferred restricted common units granted to Mr. Hill under the Deferred Compensation Plan). The vesting terms of these awards are described under the captions “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Terms of Blackstone Holdings Partnership Units Granted in 2015 and Prior Years” above and “— Nonqualified Deferred Compensation for 2015 — Narrative to Nonqualified Deferred Compensation for 2015 Table” below.
- (b) The dollar amounts shown under this column were calculated by multiplying the number of unvested deferred restricted Blackstone Holdings Partnership Units or unvested deferred restricted common units held by the named executive officer by the closing market price of \$29.24 per Blackstone common unit on December 31, 2015, the last trading day of 2015, other than the deferred restricted common units granted in 2016 in respect of 2015 performance, which are valued as of the date of their grant.
- (c) This table does not reflect (1) undelivered deferred restricted common units that were granted to Messrs. James and Hill in 2015 pursuant to the Deferred Compensation Plan in respect of 2014 performance that were considered vested on the date of grant due to their retirement eligibility, (2) undelivered deferred restricted common units that were granted to Mr. Hill in 2016 pursuant to the Deferred Compensation Plan in respect of 2015 performance that were considered vested on the date of grant due to his retirement eligibility and (3) mandatorily deferred and vested, but undelivered, deferred restricted common units that were granted to Mr. Hill pursuant to the Deferred Compensation Plan in respect of 2013 and prior years. These deferred restricted common units are reflected in the Nonqualified Deferred Compensation for 2015 Table below.
- (d) As described under “— Potential Payments Upon Termination of Employment or Change in Control — Withdrawal Agreement with Laurence Tosi” below, in connection with Mr. Tosi's resignation, effective August 7, 2015, we entered into a withdrawal agreement with him on November 3, 2015 pursuant to which we agreed to modify (1) his award of 49,925 deferred restricted common units granted on January 16, 2015 to provide that, notwithstanding his resignation, the units will continue to vest and be settled in accordance with their terms, subject to Mr. Tosi's continued compliance with his non-competition and non-solicitation agreement through each applicable vesting date and (2) his award of 344,154 unvested deferred restricted Blackstone Holdings Partnership Units granted on January 26, 2011, which was scheduled to cliff vest in full on January 1, 2016, by allowing him to vest in a number of Blackstone Holdings Partnership Units intended to approximate the grant date fair value of the original award. All other unvested deferred restricted common units and deferred restricted Blackstone Holdings Partnership Units were immediately forfeited upon his resignation.

Option Exercises and Stock Vested in 2015

The following table provides information regarding the number of outstanding initially unvested equity awards made to our named executive officers that vested during 2015 or, for deferred restricted common units granted to Mr. Hill under the Deferred Compensation Plan, with respect to 2015:

Name	Stock Awards (a)	
	Number of Shares Acquired on Vesting	Value Realized on Vesting (b)
Stephen A. Schwarzman	—	\$ —
Hamilton E. James	4,111,528	\$ 174,287,672
J. Tomilson Hill (c)	1,644,227	\$ 65,359,661
Michael S. Chae	909,734	\$ 38,563,624
Laurence A. Tosi (d)	198,876	\$ 5,840,470
John G. Finley	104,090	\$ 3,412,363

- (a) The references to “stock” or “shares” in this table refer to Blackstone Holdings Partnership Units, deferred restricted Blackstone Holdings Partnership Units and our deferred restricted common units.
- (b) The value realized on vesting is based on the closing market prices of our common units on the day of vesting.
- (c) For Mr. Hill, includes 191,883 deferred restricted common units granted pursuant to the Deferred Compensation Plan, with a value realized on vesting of \$4,557,221, which were all considered vested on the date of grant due to Mr. Hill’s retirement eligibility. These deferred restricted common units are scheduled to be delivered in equal annual installments over the three year deferral period and are reflected in the Nonqualified Deferred Compensation for 2015 Table below.
- (d) For Mr. Tosi, includes 176,604 deferred restricted Blackstone Holdings Partnership Units vested on the date of grant and received pursuant to the terms of his withdrawal agreement as a modification to his award of 344,154 unvested deferred restricted Blackstone Holdings Partnership Units granted on January 26, 2011, which was scheduled to cliff vest in full on January 1, 2016. The actual number of vested Blackstone Holdings Partnership Units was based on fair market value equal to \$5,000,000 using a 60-day volume weighted average price as of February 1, 2016.

Nonqualified Deferred Compensation for 2015

The following table provides (1) undelivered deferred restricted common units that were granted to Messrs. James and Hill in 2015 pursuant to the Deferred Compensation Plan in respect of 2014 performance that were considered vested on the date of grant due to their retirement eligibility, but upon which the underlying common units have not yet been delivered, (2) undelivered deferred restricted common units that were granted to Mr. Hill in 2016 pursuant to the Deferred Compensation Plan in respect of 2015 performance that were considered vested on the date of grant due to his retirement eligibility, but upon which the underlying common units have not yet been delivered, and (3) mandatorily deferred and vested, but undelivered, deferred restricted common units that were granted to Mr. Hill pursuant to the Deferred Compensation Plan in respect of 2013 and prior years.

Name	Executive Contributions in 2015	Registrant Contributions in 2015 (a)	Aggregate Earnings (Losses) in 2015 (b)	Aggregate Withdrawals/ Distributions (c)	Aggregate Balance at December 31, 2015 (d)
Stephen A. Schwarzman	\$ —	\$ —	\$ —	\$ —	\$ —
Hamilton E. James	\$ —	\$ 10,089	\$ (31,415)	\$ 58,668	\$ 599,332
J. Tomilson Hill	\$ —	\$ 4,959,022	\$ (1,575,425)	\$ 13,350,642	\$ 28,459,255
Michael S. Chae	\$ —	\$ —	\$ —	\$ —	\$ —
Laurence A. Tosi	\$ —	\$ —	\$ —	\$ —	\$ —
John G. Finley	\$ —	\$ —	\$ —	\$ —	\$ —

- (a) This column represents the mandatory deferral of a portion of Mr. Hill's annual cash bonus for 2015 into 191,883 deferred restricted common units, respectively pursuant to our Deferred Compensation Plan. These units were granted to Mr. Hill in 2016 in respect of 2015 performance. These deferred restricted common units are deemed vested due to retirement eligibility, but will be delivered in equal annual installments over three years. This amount is also reflected in the "Stock Awards" column of the Summary Compensation Table for the last completed fiscal year (see footnote (b) to the Summary Compensation Table). In addition, this column includes the value of an additional 321 and 12,784 deferred restricted common units granted to Messrs. James and Hill, respectively, as a result of the adjustments made in connection with the spin-off of the operations that historically constituted Blackstone's Financial Advisory segment, other than Blackstone's capital markets services business. The adjustments did not result in any incremental fair value in accordance with GAAP and therefore there are no amounts associated with these additional deferred restricted common units reported as compensation in the Summary Compensation Table for the last completed fiscal year.
- (b) This column represents the earnings/(losses) during 2015 on deferred restricted common units granted to Messrs. James and Hill pursuant to our Deferred Compensation Plan (including the additional deferred restricted common units granted as a result of the adjustments made in connection with the spin-off) through the earlier of their delivery or December 31, 2015. In addition, this column includes the payment of current cash distribution equivalents on deferred restricted common units granted to Messrs. James and Hill pursuant to the Deferred Compensation Plan in 2015 in respect of 2014 (including the additional deferred restricted common units granted as a result of the adjustments made in connection with the spin-off) through the earlier of their delivery or December 31, 2015. No portion of any earnings would be considered above-market or preferential and, accordingly, no earnings are reflected in the Summary Compensation Table.
- (c) Represents the value of 332,785 deferred common units that were delivered to Mr. Hill in 2015 based on the closing market price per Blackstone common unit on the date(s) of delivery. Also includes the payment of current cash distribution equivalents on deferred restricted common units granted to Messrs. James and Hill pursuant to the Deferred Compensation Plan in 2015 in respect of 2014 (including the additional deferred restricted common units granted as a result of the adjustments made in connection with the spin-off).
- (d) Represents the value as of December 31, 2015 of 20,497 deferred common units granted to Mr. James and 1,009,326 deferred common units granted to Mr. Hill. With respect to Messrs. James and Hill, \$679,326 and \$22,621,020 has been previously reported in the "Stock Awards" column of the Summary Compensation Table, respectively. The values set forth in this column are based on the closing market price of \$29.24 per Blackstone common units on December 31, 2015, other than the units granted in 2016 in respect of 2015 performance, which are valued as of the date of their grant.

Narrative to Nonqualified Deferred Compensation for 2015 Table

In 2007, we established our Deferred Compensation Plan (which we also refer to as our "Bonus Deferral Plan") for certain eligible employees of Blackstone and certain of its affiliates in order to provide such eligible employees with a pre-tax deferred incentive compensation opportunity and to enhance the alignment of interests between such eligible employees and Blackstone and its affiliates. The Deferred Compensation Plan is an unfunded, nonqualified deferred compensation plan which provides for the automatic, mandatory deferral of a portion of each participant's annual cash bonus payment.

At the end of each year, the Plan Administrator (as defined in the Deferred Compensation Plan) selects plan participants in its sole discretion and notifies such individuals that they have been selected to participate in the Deferred Compensation Plan for such year. Participation is mandatory for those employees selected by the Plan Administrator to be participants. An individual, if selected, may not decline to participate in the Deferred Compensation Plan and an individual who is not so selected may not elect to participate in the Deferred Compensation Plan. The selection of participants is made on an annual basis; an individual selected to participate in the Deferred Compensation Plan for a given year may not necessarily be selected to participate in a subsequent year. For 2015, all employees other than Mr. Schwarzman, who does not receive an annual cash bonus payment, were deemed eligible to participate in the Deferred Compensation Plan, with the deferred amount (if any) determined in accordance with the

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table described below. Accordingly, Messrs. James, Hill, Chae and Finley each participated in the Deferred Compensation Plan for 2015. However, Messrs. James and Chae did not have any portion of their respective 2015 annual cash bonus payments deferred under the Deferred Compensation Plan as their mandatory contributions to our investment funds fully offset their total annual incentive compensation. In addition, since Mr. Tosi resigned from the firm prior to the determination and payment of the annual cash bonuses, he was not eligible to receive an annual cash bonus or to participate in the Deferred Compensation Plan with respect to fiscal 2015.

In respect of the deferred portion of his or her annual cash bonus payment, each participant receives deferral units which represent rights to receive in the future a specified amount of common units or Blackstone Holdings Partnership Units or other equity-based awards under our 2007 Equity Incentive Plan, subject to vesting provisions described below. The amount of each participant's annual cash bonus payment deferred under the Deferred Compensation Plan is calculated pursuant to a deferral rate table using the participant's total annual incentive compensation, which generally includes such participant's annual cash bonus payment and any incentive fees earned in connection with our investment funds, and is subject to certain adjustments, including reductions for mandatory contributions to our investment funds. For deferrals of 2015 annual cash bonus payments, the deferral percentage was calculated on the basis set forth in the following table (or such other table that may be adopted by the Plan Administrator).

<u>Portion of Annual Incentive</u>	<u>Marginal Deferral Rate Applicable to Such Portion</u>	<u>Effective Deferral Rate for Entire Annual Bonus (a)</u>
\$0 - 100,000	0%	0.0%
\$100,001 - 200,000	15%	7.5%
\$200,001 - 500,000	20%	15.0%
\$500,001 - 750,000	30%	20.0%
\$750,001 - 1,250,000	40%	28.0%
\$1,250,001 - 2,000,000	45%	34.4%
\$2,000,001 - 3,000,000	50%	39.6%
\$3,000,001 - 4,000,000	55%	43.4%
\$4,000,001 - 5,000,000	60%	46.8%
\$5,000,000 +	65%	52.8%

- (a) Effective deferral rates are shown for illustrative purposes only and are based on an annual cash payment equal to the maximum amount in the range shown in the far left column (which is assumed to be \$7,500,000 for the last range shown).

Mandatory Deferral Awards. Generally, deferral units are satisfied by delivery of our common units in equal annual installments over the deferral period, which was three years for grants made in respect of years prior to 2012 and four years for grants made in respect of years 2012 and 2013 (with no partial-year delivery). In 2015, the Deferred Compensation Plan was amended to return the deferral period to three years for grants made in respect of 2014 and subsequent years. Delivery of our common units underlying vested deferral units is delayed until anticipated trading window periods to better facilitate the participant's liquidity to meet tax obligations. If the participant's employment is terminated for cause, the participant's undelivered deferral units (vested and unvested) will be immediately forfeited. Upon a change in control or termination of the participant's employment because of death, any undelivered deferral units (vested and unvested) will become immediately deliverable. With respect to deferral units granted in respect of 2013 and prior years, if the participant's employment is terminated without cause or because of resignation, qualifying retirement or disability, the participant's deferral units will continue to be delivered over the applicable deferral period. However, if, following a termination of employment without cause or because of resignation, qualifying retirement or disability, the participant violates any applicable provision of his or her employment agreement (or, in the case of a resignation, engages in a competitive business (as such term is defined in his or her employment agreement)), then any deferral units that remain undelivered as of the date of such violation, will be immediately forfeited. In 2015, the Deferred Compensation Plan was amended to modify the terms

of the mandatorily deferred restricted common units to provide that unvested bonus deferral awards in respect of 2014 and subsequent years will now be forfeited upon resignation, will immediately vest and be delivered if the participant's employment is terminated without cause or because of disability and, in connection with a qualifying retirement, will continue to vest and be delivered over the applicable deferral period, subject to forfeiture if the participant violates any applicable provision of his her employment agreement or engages in any competitive activity (as such term is defined in the Deferred Compensation Plan).

The 49,925 and 29,892 deferred restricted common units granted under the Deferred Compensation Plan to Mr. Tosi and Mr. Finley in 2015 for 2014 performance, respectively, vest 33.3% on January 16, 2016, 33.3% on January 16, 2017 and 33.4% on January 16, 2018. The 40,378 deferred restricted common units granted under the Deferred Compensation Plan to Mr. Finley in 2016 for 2015 performance vest 33.3% on January 20, 2017, 33.3% on January 20, 2018 and 33.4% on January 20, 2019.

Premium Awards . Prior to deferrals in respect of 2014 performance, each plan participant was eligible to receive a premium award in the amount equal to a percentage of his or her deferral amount. The percentage was selected by the Plan Administrator. Generally, except in respect of 2012, the premium award percentage was 20%. Generally, the premium award percentage in respect of 2012 was 25%. The deferral amount plus the premium award yielded the total amount of deferral units that a participant was awarded for any given year. The entire premium portion of such deferral units is, with specified exceptions, subject to continued employment of such participant through the end of the applicable deferral period and vests and is delivered at the end of such deferral period. As is the case with respect to the mandatory deferral units, delivery of our common units underlying the vested premium portion of the participant's deferral units is delayed until anticipated trading window periods to better facilitate the participant's liquidity to meet tax obligations. If the participant's employment is terminated for cause, the premium portion of the participant's undelivered deferral units (vested and unvested) will be immediately forfeited. In connection with a participant's termination of employment without cause or because of resignation, the entire unvested premium portion of the participant's deferral units will be immediately forfeited. In connection with a participant's termination of employment due to qualifying retirement, 50% of the unvested premium portion of the participant's deferral units will continue to vest at the end of the applicable deferral period and be delivered on the applicable delivery date. In connection with a participant's termination of employment due to disability, the entire unvested premium portion of the participant's deferral units will continue to vest at the end of the applicable deferral period and be delivered on the applicable delivery date. However, if, following a termination of employment because of qualifying retirement or disability, the participant violates any applicable provision of his or her employment agreement, including specified restrictive covenants such as a non-compete, then any such deferral units that remain undelivered as of the date of such violation will be immediately forfeited. Upon a change in control or termination of the participant's employment because of death, the entire unvested premium portion of the participant's deferral units will immediately vest and become deliverable. In 2015, the Deferred Compensation Plan was amended to replace the premium award component of the plan with the payment of current cash distribution equivalents on both vested and unvested deferred awards beginning with awards granted in 2015 in respect of 2014. As a result, no premium awards were granted in 2016 in respect of 2015 performance.

The 166,537 deferred restricted common units granted to Mr. Hill as premium awards under the Deferred Compensation Plan, vest 50.2% on January 1, 2017 and 49.8% on January 13, 2018.

Potential Payments Upon Termination of Employment or Change in Control

Upon a change of control event where any person (other than a person approved by our general partner) becomes our general partner or a termination of employment because of death, any unvested deferred restricted Blackstone Holdings Partnership Units or unvested deferred restricted common units held by any of our named executive officers will automatically be deemed vested as of immediately prior to such occurrence of such change of control or such termination of employment. Had such a change of control or such a termination of employment occurred on December 31, 2015, the last business day of 2015, each of our named executive officers would have vested in the following numbers of deferred restricted Blackstone Holdings Partnership Units and deferred restricted

common units, having the following values based on our closing market price of \$29.24 per Blackstone common unit on December 31, 2015, other than the deferred restricted common units granted in 2016 in respect of 2015 performance, which are valued as of the date of their grant: Messrs. Schwarzman, James and Chae had no outstanding unvested units at December 31, 2015; Mr. Hill – 23,932 deferred restricted Blackstone Holdings Partnership Units and 166,537 deferred restricted common units, representing the premium portion of his deferred restricted common units, with an aggregate value of \$5,569,313 and Mr. Finley – 239,443 deferred restricted Blackstone Holdings Partnership Units and 70,745 deferred restricted common units with an aggregate value of \$8,848,222. In addition, the Deferred Compensation Plan provides that upon a change in control or termination of the participant’s employment because of death, any fully vested but undelivered deferred restricted common units will become immediately deliverable. Therefore, had a change of control or such termination of employment occurred on December 31, 2015, Mr. James and Mr. Hill would also have been entitled to accelerated delivery of the 20,497 and 531,134 deferred restricted common units, respectively, that were granted to them pursuant to the Deferred Compensation Plan and were considered vested on the date of grant due to their retirement eligibility. Mr. Hill would also have been entitled to accelerated delivery of his 478,192 mandatorily deferred and vested, but undelivered, deferred restricted common units granted to him under the Deferred Compensation Plan outstanding as of December 31, 2015.

Upon a termination of employment because of disability, any unvested Blackstone Holdings Partnership Units, unvested deferred restricted Blackstone Holdings Partnership Units or unvested deferred restricted common units granted under the Deferred Compensation Plan in respect of 2014 and subsequent years will also automatically be deemed vested. However, with respect to the premium portion of deferred restricted common units granted under the Deferred Compensation Plan in respect of 2013 and prior years, in connection with a participant’s termination of employment due to disability, such deferral units will continue to vest at the end of the applicable deferral period and be delivered on the applicable delivery date, subject to the participant not violating any applicable provision of his or her employment agreement. Therefore, had a termination of employment because of disability occurred on December 31, 2015, each of our named executive officers would have vested in the numbers of deferred restricted Blackstone Holdings Partnership Units set forth in the paragraph immediately above, having the values set forth above, but Mr. Hill would not have immediately vested in his 166,537 unvested deferred restricted common units, which represent the premium portion of his deferred restricted common units. In addition, Mr. James and Mr. Hill would also have been entitled to accelerated delivery in the numbers of deferred restricted common units set forth in the paragraph immediately above that were granted to them pursuant to the Deferred Compensation Plan and were considered vested on the date of grant due to their retirement eligibility.

In connection with a named executive officer’s termination of employment due to qualifying retirement, a named executive officer will generally vest in 50% of their unvested Blackstone Holdings Partnership Units or unvested deferred restricted Blackstone Holdings Partnership Units granted in 2015 and prior years. (See “Non-Competition and Non-Solicitation Agreements—Retirement.”) As of December 31, 2015, Mr. Hill and Mr. James were retirement eligible. Mr. James had no outstanding unvested units at December 31, 2015. If Mr. Hill had retired on December 31, 2015, then Mr. Hill would have vested in 11,966 deferred restricted Blackstone Holdings Partnership Units with a value of \$349,886 based on our closing market price of \$29.24 per Blackstone common unit on December 31, 2015. In addition, if Mr. Hill had retired on December 31, 2015, then the Deferred Compensation Plan provides that 50% of the unvested premium portion of his deferred restricted common units would continue to vest at the end of the applicable deferral period and be delivered on the applicable delivery date, subject to forfeiture of any deferral units which remain undelivered as of the date of the breach of any applicable provision of his employment agreement.

Upon a termination of Mr. Finley’s employment without cause, the unvested deferred restricted Blackstone Holdings Partnership Units granted to him in 2013 and 2014 and the deferred restricted common units grant to him under the Deferred Compensation Plan in respect of 2015 and 2014 will become fully vested. Had such a termination without cause occurred on December 31, 2015, Mr. Finley would have vested in the following numbers of deferred restricted Blackstone Holdings Partnership Units and deferred restricted common units, having the following values based on our closing market price of \$29.24 per Blackstone common unit on December 31, 2015,

other than the deferred restricted common units granted in 2016 in respect of 2015 performance, which are valued as of the date of their grant: Mr. Finley – 43,327 deferred restricted Blackstone Holdings Partnership Units and 70,745 deferred restricted common units with an aggregate value of \$3,113,790. In addition, Mr. James and Mr. Hill would also have been entitled to accelerated delivery in the numbers of deferred restricted common units set forth above in the first paragraph of this section that were granted to them pursuant to the Deferred Compensation Plan and were considered vested on the date of grant due to their retirement eligibility.

In addition, except as described below, unvested carried interest in our carry funds is generally forfeited upon termination of employment. Upon the death or disability of any named executive officer who participates in the carried interest of our carry funds, the named executive officer will be deemed 100% vested in any unvested portion of carried interest in our carry funds. Furthermore, any named executive officer that is retirement eligible will automatically vest in 50% of their otherwise unvested carried interest allocation upon retirement. (See “— Non-Competition and Non-Solicitation Agreements—Retirement.”) As of December 31, 2015, Mr. James and Mr. Hill were retirement eligible for purposes of their carried interest allocations.

In addition, pursuant to Mr. Schwarzman’s Founding Member Agreement described above under “Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015—Schwarzman Founding Member Agreement,” following retirement, Mr. Schwarzman will be provided with specified retirement benefits, including an assistant during the ten-year period following his retirement and a car and driver during the three-year period following his retirement. As of December 31, 2015, the aggregate present value of these expected costs was \$1.3 million, for which approximately \$158,000, \$180,000 and \$200,000 were expensed for financial statement purposes in each of the years ended December 31, 2015, 2014 and 2013, respectively.

Withdrawal Agreement with Laurence Tosi

On July 24, 2015, Blackstone announced that Laurence Tosi resigned from his position as Chief Financial Officer of Blackstone Group Management L.L.C., our general partner, effective August 7, 2015 (the “Effective Date”).

In connection with his resignation, Mr. Tosi entered into a withdrawal agreement with Blackstone on November 3, 2015, which includes the terms summarized below. Under the terms of the withdrawal agreement, Mr. Tosi agreed to enter into a general release of claims in favor of Blackstone and its related parties and affirmed his non-competition, non-solicitation, non-disparagement and confidentiality covenants contained in his non-competition and non-solicitation agreement. All payments and benefits are subject to Mr. Tosi’s timely execution and non-revocation of the release and compliance with these restrictive covenants.

Under the terms of the withdrawal agreement, Mr. Tosi received \$500,000 payable in a lump-sum cash payment within 15 days following the date of his agreement and the unvested portion of Mr. Tosi’s carried interest in (1) all Blackstone Innovations LLC and Blackstone Innovations (Cayman) III LP investments made through the Effective Date and (2) Blackstone’s investment in Ipreo Holdings, LLC was vested. Except as described above, all of Mr. Tosi’s other unvested carried interest was forfeited as of the Effective Date.

In addition, under the terms of the withdrawal agreement, Mr. Tosi’s outstanding Blackstone unvested equity awards were treated as follows:

- 49,925 deferred restricted common units held by Mr. Tosi pursuant to the terms of Blackstone’s Sixth Amended and Restated Bonus Deferral Plan, as amended, will, notwithstanding Mr. Tosi’s withdrawal, continue to vest and be settled in accordance with their terms, subject to Mr. Tosi’s continued compliance with the non-competition and non-solicitation agreement through each applicable vesting date; and
- Mr. Tosi forfeited 576,837 unvested units of Blackstone and/or Blackstone Holdings with a value, as of the Effective Date of \$21.8 million. Nonetheless, Blackstone agreed to provide Mr. Tosi with (1) quarterly payments from the Effective Date through February 1, 2016 equal to quarterly distributions to be made in

respect of 125,448 Blackstone Holdings Partnership Units during such time and (2) a modification to his award of 344,154 unvested deferred restricted Blackstone Holdings Partnership Units granted on January 26, 2011, which was scheduled to cliff vest in full on January 1, 2016. Given Mr. Tosi was only approximately five months away from satisfying the service requirement for this award at the time of his departure, we determined it was appropriate to allow him to vest in a number of vested Blackstone Holdings Partnership Units intended to approximate the grant date fair value of the original award. The actual number of vested Blackstone Holdings Partnership Units was based on fair market value equal to \$5,000,000 using a 60-day day volume weighted average price as of February 1, 2016. The quarterly distribution payments and the modification to his January 26, 2011 award were both subject to Mr. Tosi's compliance with the non-competition and non-solicitation agreement. If the number of Blackstone Holdings Partnership Units in clause (2) was greater than the number of Blackstone Holdings Partnership Units in clause (1), then Mr. Tosi would be entitled to an additional cash payment equal to distributions from the Effective Date through February 1, 2016 with respect to such excess number of Blackstone Holdings Partnership Units. If the number of Blackstone Holdings Partnership Units in clause (1) was greater than the number of Blackstone Holdings Partnership Units in clause (2), then the number of Blackstone Holdings Partnership Units Mr. Tosi would be entitled to receive would be reduced by a number of units with a value equal to the excess of the distributions Mr. Tosi received with respect to such excess number of Blackstone Holdings Partnership Units. Based on the 60-trading day volume weighted average price as of February 1, 2016, Mr. Tosi received 176,604 vested Blackstone Holdings Partnership Units and since the number of units was greater than 125,448 he also received an additional cash payment of \$24,090.

Non-Competition and Non-Solicitation Agreements

Upon the consummation of our initial public offering, we entered into a non-competition and non-solicitation agreement with our founder, our other senior managing directors, most of our other professional employees and specified senior administrative personnel to whom we refer collectively as "Contracting Employees." Contracting Employees who have joined the firm after our initial public offering, such as Mr. Tosi and Mr. Finley, have also executed non-competition and non-solicitation agreements. The following are descriptions of the material terms of each such non-competition and non-solicitation agreement. With the exception of the few differences noted in the description below, the terms of each non-competition and non-solicitation agreement are generally in relevant part similar.

Full-Time Commitment . Each Contracting Employee agrees to devote substantially all of his or her business time, skill, energies and attention to his or her responsibilities at Blackstone in a diligent manner. Our founder Mr. Schwarzman has agreed that our business will be his principal business pursuit and that he will devote such time and attention to the business of the firm as may be reasonably requested by us.

Confidentiality . Each Contracting Employee is required, whether during or after his or her employment with us, to protect and only use "confidential information" in accordance with strict restrictions placed by us on its use and disclosure. (Every employee of ours is subject to similar strict confidentiality obligations imposed by our Code of Conduct applicable to all Blackstone personnel.)

Notice of Termination . Each Contracting Employee is required to give us prior written notice of his or her intention to leave our employ — six months in the case of Mr. Schwarzman, 90 days for all of our other senior managing directors and between 30 and 60 days in the case of all other Contracting Employees.

Garden Leave . Upon his or her voluntary departure from our firm, a Contracting Employee is required to take a prescribed period of "garden leave." The period of garden leave is 90 days for our non-founding senior managing directors and between 30 and 60 days for all other Contracting Employees. During this period the Contracting Employee will continue to receive some of his or her Blackstone compensation and benefits, but is prohibited from commencing employment with a new employer until the garden leave period has expired. The period of garden

leave for each Contracting Employee will run coterminously with the non-competition Restricted Period that applies to him or her as described below. Our founder Mr. Schwarzman is subject to non-competition covenants but not garden leave requirements.

Non-Competition . During the term of employment of each Contracting Employee, and during the Restricted Period (as such term is defined below) immediately thereafter, he or she will not, directly or indirectly:

- engage in any business activity in which we operate, including any competitive business,
- render any services to any competitive business, or
- acquire a financial interest in or become actively involved with any competitive business (other than as a passive investor holding minimal percentages of the stock of public companies).

“Competitive business” means any business that competes, during the term of employment through the date of termination, with our business, including any businesses that we are actively considering conducting at the time of the Contracting Employee’s termination of employment, so long as he or she knows or reasonably should have known about such plans, in any geographical or market area where we or our affiliates provide our products or services.

Non-Solicitation . During the term of employment of each Contracting Employee, and during the Restricted Period immediately thereafter, he or she will not, directly or indirectly, in any manner solicit any of our employees to leave their employment with us, or hire any such employee who was employed by us as of the date of his or her termination or who left employment with us within one year prior to or after the date of his or her termination. Additionally, each Contracting Employee may not solicit or encourage to cease to work with us any consultant or senior advisers that he or she knows or should know is under contract with us.

In addition, during the term of employment of each Contracting Employee, and during the Restricted Period immediately thereafter, he or she will not, directly or indirectly, in any manner solicit the business of any client or prospective client of ours with whom he or she, employees reporting to him or her, or anyone whom he or she had direct or indirect responsibility over had personal contact or dealings on our behalf during the three-year period immediately preceding his or her termination. Contracting Employees who are employed in our asset management businesses are subject to a similar non-solicitation covenant with respect to investors and prospective investors in our investment funds.

Non-Interference and Non-Disparagement . During the term of employment of each Contracting Employee, and during the Restricted Period immediately thereafter, he or she may not interfere with business relationships between us and any of our clients, customers, suppliers or partners. Each Contracting Employee is also prohibited from disparaging us in any way.

Restricted Period . For purposes of the foregoing covenants, the “Restricted Period” will be:

<u>Covenant</u>	<u>Stephen A. Schwarzman</u>	<u>Other Senior Managing Directors</u>	<u>Other Contracting Employees</u>
<i>Non-competition</i>	Two years after termination of employment.	One year (six months for senior managing directors who are eligible to retire, as defined below) after termination of employment.	Between 90 days and six months after termination of employment.
<i>Non-solicitation of Blackstone employees</i>	Two years after termination of employment.	Two years after termination of employment.	Generally between six months and one year after termination of employment.
<i>Non-solicitation of Blackstone clients or investors</i>	Two years after termination of employment.	One year after termination of employment.	Generally between six months and one year after termination of employment.
<i>Non-interference with business relationships</i>	Two years after termination of employment.	One year after termination of employment.	Generally between six months and one year after termination of employment.

Retirement . Blackstone personnel are eligible to retire if they have satisfied either of the following tests: (a) one has reached the age of 65 and has at least five full years of service with our firm; or (b) generally one has reached the age of 55 and has at least five full years of service with our firm and the sum of his or her age plus years of service with our firm totals at least 65.

Intellectual Property . Each Contracting Employee is subject to customary intellectual property covenants with respect to works created, invented, designed or developed by him or her that are relevant to or implicated by his or her employment with us.

Specific Performance . In the case of any breach of the confidentiality, non-competition, non-solicitation, non-interference, non-disparagement or intellectual property provisions by a Contracting Employee, the breaching individual agrees that we will be entitled to seek equitable relief in the form of specific performance, restraining orders, injunctions or other equitable remedies.

Director Compensation in 2015

No additional remuneration is paid to our employees for services as a director of our general partner. In 2015, each of our non-employee directors received an annual cash retainer of \$150,000 and a grant of deferred restricted common units equivalent in value to \$150,000, with a grant date fair value determined as described in footnote (a) to the first table below. An additional \$30,000 annual cash retainer was paid to the Chairman of the Audit Committee during 2015. An additional \$25,000 annual cash retainer was paid to Mr. Light in connection with his service on the executive committee of Blackstone Group International Partners LLP.

The following table provides the director compensation for our directors for 2015:

Name	Fees Earned or Paid in Cash	Stock Awards (a) (b)	Total
Bennett J. Goodman (c)	\$ —	\$ —	\$ —
Jonathan D. Gray (c)	\$ —	\$ —	\$ —
The Right Honorable Brian Mulroney	\$ 150,000	\$ 150,739	\$ 300,739
William G. Parrett	\$ 180,000	\$ 149,577	\$ 329,577
Richard Jenrette	\$ 150,000	\$ 149,823	\$ 299,823
Jay O. Light	\$ 175,000	\$ 149,127	\$ 324,127
Rochelle B. Lazarus	\$ 150,000	\$ 149,988	\$ 299,988
Peter T. Grauer (d)	\$ —	\$ —	\$ —

- (a) The references to “stock” in this table refer to our deferred restricted common units. Amounts for 2015 represent the grant date fair value of stock awards granted in the year, computed in accordance with GAAP, pertaining to equity-based compensation. The assumptions used in determining the grant date fair value are set forth in Note 16. “Equity-Based Compensation” in the “Notes to Consolidated Financial Statements” in “Part II. Item 8. Financial Statements and Supplementary Data.” These deferred restricted common units vest, and the underlying Blackstone common units will be delivered, on the first anniversary of the date of the grant, subject to the outside director’s continued service on the board of directors of our general partner.
- (b) Each of our non-employee directors was granted deferred restricted common units upon appointment as a director. In 2015, in connection with the anniversary of his or her initial grant, each of the following directors was granted deferred restricted common units: Mr. Mulroney — 3,556 units; Mr. Parrett — 4,667 units; Mr. Jenrette — 3,648 units; Mr. Light — 4,363 units; and Ms. Lazarus — 3,837 units. The amounts of our non-employee directors’ compensation were approved by the board of directors of our general partner upon the recommendation of our founder following his review of directors’ compensation paid by comparable companies.

The following table provides information regarding outstanding unvested equity awards made to our directors as of December 31, 2015:

Name	Stock Awards (1)	
	Number of Shares or Units of Stock That Have Not Vested (2)	Market Value of Shares or Units of Stock That Have Not Vested (3)
The Right Honorable Brian Mulroney	3,613	\$ 105,644
William G. Parrett	4,667	\$ 136,463
Richard Jenrette	3,706	\$ 108,363
Jay O. Light	4,433	\$ 129,621
Rochelle B. Lazarus	3,898	\$ 113,978
Peter T. Grauer	—	\$ —

- (1) The references to “stock” or “shares” in this table refer to our deferred restricted common units.

- (2) The number of units shown in this column reflect the equity award adjustments made in connection with the spin-off of the operations that historically constituted Blackstone's Financial Advisory segment, other than Blackstone's capital markets services business.
- (3) The dollar amounts shown in this column were calculated by multiplying the number of unvested deferred restricted common units held by the director by the closing market price of \$29.24 per Blackstone common unit on December 31, 2015, the last trading day of 2015.
- (c) Mr. Gray and Mr. Goodman are employees and no additional remuneration is paid to them for service as directors of our general partner. Mr. Gray's and Mr. Goodman's employee compensation is discussed in "—Item 13. Certain Relationships and Related Transactions, and Director Independence."
- (d) Mr. Grauer was appointed to Blackstone's Board of Directors on January 26, 2016. Upon his appointment he received a grant of 5,827 deferred restricted common units with a grant date fair value of \$153,192.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth information regarding the beneficial ownership of our common units and Blackstone Holdings Partnership Units as of February 19, 2016 by:

- each person known to us to beneficially own 5% of any class of the outstanding voting securities of The Blackstone Group L.P.;
- each member of our general partner's board of directors;
- each of the named executive officers of our general partner; and
- all directors and executive officers of our general partner as a group.

The amounts and percentage of units beneficially owned are reported on the basis of regulations of the SEC governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of such security, or "investment power," which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days of February 19, 2016. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed a beneficial owner of securities as to which he has no economic interest. Except as indicated by footnote, the persons named in the table below have sole voting and investment power with respect to all units shown as beneficially owned by them, subject to community property laws where applicable. Unless otherwise included, for purposes of this table, the principal business address for each such person is c/o The Blackstone Group L.P., 345 Park Avenue, New York, New York 10154.

<u>Name of Beneficial Owner</u>	<u>Common Units, Beneficially Owned</u>		<u>Blackstone Holdings Partnership Units Beneficially Owned (a)</u>	
	<u>Number</u>	<u>% of Class</u>	<u>Number</u>	<u>% of Class</u>
5% Unitholders:				
Janus Capital Management LLC (b)	30,036,605	5.3%	—	—
FMR LLC (c)	42,719,517	7.6%	—	—
Directors and Executive Officers (d) (e)				
Stephen A. Schwarzman (f)(g)	—	—	231,924,793	45.5%
Hamilton E. James (g)	6,833	*	32,180,300	6.3%
J. Tomilson Hill (g)(h)	1,998,793	*	14,445,085	2.8%
Bennett J. Goodman (g)(h)	1,573,278	*	2,850,387	*
Jonathan D. Gray (g)	—	—	40,585,300	8.0%
Michael S. Chae (g)	—	—	5,831,432	1.1%
Laurence A. Tosi	16,906	*	495,659	*
John G. Finley	10,122	*	456,092	*
The Right Honorable Brian Mulroney	146,066	*	—	—
William G. Parrett	64,937	*	—	—
Richard Jenrette	40,500	*	—	—
Jay O. Light	39,588	*	—	—
Rochelle B. Lazarus	23,528	*	—	—
Peter T. Grauer	—	—	—	—
All executive officers and directors as a group (14 persons)	3,989,285	*	328,612,964	64.5%

* Less than one percent

- (a) Subject to certain requirements and restrictions, the partnership units of Blackstone Holdings are exchangeable for common units of The Blackstone Group L.P. on a one-for-one basis. A Blackstone Holdings limited partner must exchange one partnership unit in each of the four Blackstone Holdings Partnerships to effect an exchange for a common unit. See “Item 13. Certain Relationships and Related Transactions, and Director Independence — Exchange Agreement.” Beneficial ownership of Blackstone Holdings Partnership Units reflected in this table has not been also reflected as beneficial ownership of the common units of The Blackstone Group L.P. for which such units may be exchanged.
- (b) Reflects units beneficially owned by Janus Capital Management LLC based on the Schedule 13G filed by Janus Capital on February 16, 2016. The address of Janus Capital Management is 151 Detroit Street, Denver, Colorado 80206.
- (c) Reflects units beneficially owned by FMR, LLC and its subsidiaries based on the Schedule 13G filed by FMR, LLC on February 12, 2016. The address of FMR, LLC is 245 Summer Street, Boston, Massachusetts 02210.
- (d) The units beneficially owned by the directors and executive officers reflected above do not include the following number of units that will be delivered to the respective individual more than 60 days after February 19, 2016: Mr. James — 13,664 deferred restricted common units; Mr. Hill — 23,932 deferred restricted Blackstone Holdings Partnership Units and 875,512 deferred restricted common units; Mr. Goodman — 4,594,109 deferred restricted Blackstone Holdings Partnership Units; Mr. Gray — 46,814 deferred restricted common units; Mr. Tosi — 33,812 deferred restricted common units; Mr. Finley — 239,443 deferred restricted Blackstone Holdings Partnership Units and 60,623 deferred restricted common units; The Right Honorable Mr. Mulroney — 3,613 deferred restricted common units; Mr. Parrett — 4,667 deferred restricted common units; Richard Jenrette — 3,706 deferred restricted common units; Ms. Lazarus — 3,898 deferred restricted common units; Mr. Light — 4,433 deferred restricted common units; and all other executive officers and directors as a group — 148,370 deferred restricted Blackstone Holdings Partnership Units and 62,434 deferred restricted common units.

- (e) The Blackstone Holdings Partnership Units shown in the table above include the following number of vested units being held back under our minimum retained ownership requirements that are required to be held throughout employment with the firm and generally for one year following termination of employment: Mr. Schwarzman — 58,054,241 Blackstone Holdings Partnership Units; Mr. James — 14,648,744 Blackstone Holdings Partnership Units; Mr. Hill — 4,654,018 Blackstone Holdings Partnership Units; Mr. Goodman — 1,081,870 Blackstone Holdings Partnership Units; Mr. Gray — 11,477,971 Blackstone Holdings Partnership Units; Mr. Chae — 3,182,160 Blackstone Holdings Partnership Units; Mr. Tosi — 363,206 Blackstone Holdings Partnership Units; Mr. Finley — 128,024 Blackstone Holdings Partnership Units; and all other executive officers and directors as a group — 107,390 Blackstone Holdings Partnership Units.
- (f) On those few matters that may be submitted for a vote of the limited partners of The Blackstone Group L.P., Blackstone Partners L.L.C., an entity wholly owned by our senior managing directors, holds a special voting unit in The Blackstone Group L.P. that provides it with an aggregate number of votes on any matter that may be submitted for a vote of our common unitholders that is equal to the aggregate number of vested and unvested Blackstone Holdings Partnership Units held by the limited partners of Blackstone Holdings on the relevant record date and entitles it to participate in the vote on the same basis as our common unitholders. Our senior managing directors have agreed in the limited liability company agreement of Blackstone Partners L.L.C. that our founder, Mr. Schwarzman, will have the power to determine how the special voting unit held by Blackstone Partners L.L.C. will be voted. Following the withdrawal, death or disability of Mr. Schwarzman (and any successor founder), this power will revert to the members of Blackstone Partners L.L.C. holding a majority in interest in that entity. The limited liability company agreement of Blackstone Partners L.L.C. provides that at such time as Mr. Schwarzman should cease to be a founding member, Hamilton E. James will thereupon succeed Mr. Schwarzman as the sole founding member of Blackstone Partners L.L.C. If Blackstone Partners L.L.C. directs us to do so, we will issue special voting units to each of the limited partners of Blackstone Holdings, whereupon each special voting unitholder will be entitled to a number of votes that is equal to the number of vested and unvested Blackstone Holdings Partnership Units held by such special voting unitholder on the relevant record date.
- (g) The Blackstone Holdings Partnership Units shown in the table above for such named executive officers and directors include (a) the following units held for the benefit of family members with respect to which the named executive officer or director, as applicable, disclaims beneficial ownership: Mr. Schwarzman — 1,666,666 units held in various trusts for which Mr. Schwarzman is the investment trustee, Mr. James — 10,657,207 units held in various trusts for which Mr. James and his brother are trustees (but Mr. James does not have or share investment control with respect to the units), Mr. Hill — 5,636,348 units held in various trusts for which Mr. Hill's spouse is the investment trustee and 2,683,308 units held in a family limited liability company, Mr. Chae — 150,070 units held in a trust for which Mr. Chae is the investment trustee and Mr. Gray — 4,566,437 units held in a trust for which Mr. Gray is the investment trustee, (b) the following units held in grantor retained annuity trusts for which the named executive officer or director, as applicable, is the investment trustee: Mr. Schwarzman — 2,365,163 units, and Mr. Gray — 15,565,132 units, and (c) the following units held by a corporation for which the named executive officer is a controlling shareholder: Mr. Schwarzman — 1,438,529 units and Mr. Goodman — 1,737,550 units owned by family limited liability companies. Mr. Schwarzman also directly, or through a corporation for which he is the controlling shareholder, beneficially owns an additional 364,278 partnership units in each of Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. In addition, with respect to Mr. Schwarzman, the above table excludes partnership units of Blackstone Holdings held by his children or in trusts for the benefit of his family as to which he has no voting or investment control.
- (h) The Blackstone common units shown in the table above for each named executive officer and director include (a) the following units held for the benefit of family members with respect to which the named executive officer or director, as applicable, disclaims beneficial ownership, Mr. Hill — 1,698,442 units held in two family limited liability companies, Mr. Goodman — 923,638 units held in family limited liability companies.

In addition, as of February 19, 2016, Beijing Wonderful Investments, an investment vehicle established and controlled by the People's Republic of China, holds 59,083,468 of our non-voting common units and may from time to time make open market purchases or sales of our voting common units.

Securities Authorized for Issuance under Equity Compensation Plans

The table set forth below provides information concerning the awards that may be issued under the 2007 Equity Incentive Plan as of December 31, 2015:

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (b)
Equity Compensation Plans Approved by Security Holders	66,966,766	—	134,535,525
Equity Compensation Plans Not Approved by Security Holders	—	—	—
Total	66,966,766	—	134,535,525

- (a) Reflects the outstanding number of our deferred restricted common units and deferred restricted Blackstone Holdings Partnership Units granted under the 2007 Equity Incentive Plan as of December 31, 2015.
- (b) The aggregate number of our common units and Blackstone Holdings Partnership Units covered by the 2007 Equity Incentive Plan is increased on the first day of each fiscal year during its term by a number of units equal to the positive difference, if any, of (a) 15% of the aggregate number of our 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 Blackstone Group L.P. or its wholly owned subsidiaries) minus (b) the aggregate number of our common units and Blackstone Holdings Partnership Units covered by the 2007 Equity Incentive Plan as of such date (unless the administrator of the 2007 Equity Incentive Plan should decide to increase the number of our common units and Blackstone Holdings Partnership Units covered by the plan by a lesser amount). As of January 1, 2016, pursuant to this formula, 168,600,140 units, which is equal to 0.15 times the number of our common units and Blackstone Holdings Partnership Units outstanding on December 31, 2015, were available for issuance under the 2007 Equity Incentive Plan. We have filed a registration statement and intend to file additional registration statements on Form S-8 under the Securities Act to register common units covered by the 2007 Equity Incentive Plan (including pursuant to automatic annual increases). Any such Form S-8 registration statement will automatically become effective upon filing. Accordingly, common units registered under such registration statement will be available for sale in the open market.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Transactions with Related Persons

Tax Receivable Agreements

We 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 pre-IPO owners. In addition, holders of Blackstone Holdings Partnership Units (other than The Blackstone Group L.P.'s wholly owned subsidiaries), 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 (subject to the terms of the exchange agreement) exchange their Blackstone Holdings Partnership Units for The Blackstone Group L.P. common units on a one-for-one basis. A Blackstone Holdings limited partner must exchange one partnership unit in each of the Blackstone Holdings partnerships to effect an exchange for a common unit. Blackstone Holdings I L.P. and Blackstone Holdings II L.P. have made an election under Section 754 of the Internal Revenue Code effective for each taxable year in which an exchange of partnership units for common units occurs, which may result in an

adjustment to the tax basis of the assets of such Blackstone Holdings partnerships at the time of an exchange of partnership units. 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 certain of 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. One of the subsidiaries of The Blackstone Group L.P. which is a corporate taxpayer has entered into a tax receivable agreement with holders of Blackstone Holdings Partnership Units that provides for the payment by the corporate taxpayer to such holders 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 these increases in tax basis and of certain other tax benefits related to our entering into tax receivable agreements, including tax benefits attributable to payments under the tax receivable agreement. Additional tax receivable agreements have been executed, and will continue to be executed, with newly admitted Blackstone senior managing directors and certain others who acquire Blackstone Holdings Partnership Units. This payment obligation is an obligation of the corporate taxpayer 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 taxpayer 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. A limited partner of Blackstone Holdings may also elect to exchange his or her Blackstone Holdings Partnership Units in a tax-free transaction where the limited partner is making a charitable contribution. In such a case, the exchange will not result in an increase in the tax basis of the assets of Blackstone Holdings and no payments will be made under the tax receivable agreement. The term of the tax receivable agreement commenced upon consummation of our IPO and will continue until all such tax benefits have been utilized or expired, unless the corporate taxpayers exercise their right to terminate the tax receivable agreement for an amount based on the agreed payments remaining to be made under the agreement.

Assuming no future 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 and exchanges will aggregate \$1.2 billion over the next 15 years. The after-tax net present value of these estimated payments totals \$402.4 million assuming a 15% 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 continued ownership of Blackstone equity interests by the pre-IPO owners and the others mentioned above.

There was a reduction of \$82.7 million to the tax receivable agreement liability to the pre-IPO owners and others mentioned above that resulted primarily from the October 1, 2015 spin-off of the financial and strategic advisory services, restructuring services and reorganization advisory services and Park Hill Group businesses.

Subsequent to December 31, 2015, payments totaling \$79.0 million were made to certain pre-IPO owners and others mentioned above in accordance with the tax receivable agreement and related to tax benefits the Partnership received for the 2014 taxable year. Those payments included payments of \$10.8 million to Stephen A. Schwarzman and investment vehicles controlled by relatives of Mr. Schwarzman; \$2.3 million to Hamilton E. James and a trust for which Mr. James is the investment trustee; \$1.2 million to J. Tomilson Hill and a trust for which Mr. Hill is the investment trustee; \$0.7 million to Michael S. Chae; and \$0.2 million to Bennett J. Goodman and a limited liability company controlled by a family member of Mr. Goodman.

In addition, the tax receivable agreement provides that upon certain mergers, asset sales, other forms of business combinations or other changes of control, the corporate taxpayers' (or their successors') obligations with respect to exchanged or acquired units (whether exchanged or acquired before or after such transaction) would be

based on certain assumptions, including that the corporate taxpayers would have sufficient taxable income to fully utilize the benefits arising from the increased tax deductions and tax basis and other similar benefits. Upon a subsequent actual exchange, any additional increase in tax deductions, tax basis and other similar benefits in excess of the amounts assumed at the change in control will also result in payments under the tax receivable agreement.

Decisions we make in the course of running our business, such as with respect to mergers, asset sales, other forms of business combinations or other changes in control, may influence the timing and amount of payments that are received by an exchanging or selling holder of Blackstone Holdings Partnership Units, under the tax receivable agreement. For example, the earlier disposition of assets following an exchange or acquisition transaction will generally accelerate payments under a tax receivable agreement and increase the present value of such payments, and the disposition of assets before an exchange or acquisition transaction will increase the tax liability of a holder of Blackstone Holdings Partnership Units without giving rise to any rights of a holder of Blackstone Holdings Partnership Units to receive payments under any tax receivable agreements.

Although we are not aware of any issue that would cause the IRS to challenge a tax basis increase, the corporate taxpayers will not be reimbursed for any payments previously made under a tax receivable agreement. As a result, in certain circumstances, payments could be made under a tax receivable agreement in excess of the corporate taxpayers' cash tax savings.

Registration Rights Agreement

In connection with the restructuring and IPO, we entered into a registration rights agreement with our pre-IPO owners pursuant to which we granted them, their affiliates and certain of their transferees the right, under certain circumstances and subject to certain restrictions, to require us to register under the Securities Act common units delivered in exchange for Blackstone Holdings Partnership Units or common units (and other securities convertible into or exchangeable or exercisable for our common units) otherwise held by them. In addition, newly admitted Blackstone senior managing directors and certain others who acquire Blackstone Holdings Partnership Units have subsequently become parties to the registration rights agreement. Under the registration rights agreement, we agreed to register the exchange of Blackstone Holdings Partnership Units for common units by our holders of Blackstone Holdings Partnership Units. In June 2008, we filed a registration statement on Form S-3 with the Securities and Exchange Commission to cover future issuances from time to time of up to 818,008,105 common units to holders of Blackstone Holdings Partnership Units upon exchange of up to an equal number of such Blackstone Holdings Partnership Units. In addition, our founder, Stephen A. Schwarzman, has the right to request that we register the sale of common units held by holders of Blackstone Holdings Partnership Units an unlimited number of times and may require us to make available shelf registration statements permitting sales of common units into the market from time to time over an extended period. In addition, Mr. Schwarzman has the ability to exercise certain piggyback registration rights in respect of common units held by holders of Blackstone Holdings Partnership Units in connection with registered offerings requested by other registration rights holders or initiated by us.

Swift River Investments

Swift River Investments, Inc. ("Swift River") is a private family investment firm that manages capital on behalf of our President, Chief Operating Officer and Director, Hamilton E. James, his brother, David R. James, and members of their families. While Hamilton E. James has a majority economic interest in Swift River, the day-to-day business of Swift River is managed by David R. James.

On August 24, 2015, Ipreo, a provider of data, market intelligence and productivity solutions to capital markets and corporate professions, completed the acquisition of iLevel Solutions LLC ("iLevel"), a business that provides private equity software and advanced portfolio monitoring software solutions to private equity firms and other institutions, including Blackstone. Funds managed by Blackstone's private equity business own Ipreo jointly with another sponsor. Prior to the acquisition, and as previously disclosed, Blackstone and Swift River were the largest

shareholders in iLevel, with approximately 21% and 24% equity interests, respectively. We took a number of measures to address any potential conflict of interest relating to the transaction, including that Mr. Hamilton E. James did not participate in the negotiation and execution of the transaction for any party. Further, the non-Blackstone and non-Swift River representatives to the iLevel board, led by the independent chairman of that board, negotiated the transaction on behalf of iLevel, and the Blackstone directors to the Ipreo board recused themselves from board decisions relating to the transaction. The transaction was reviewed and approved by the Conflicts Committee of the board of directors of our general partner.

Tsinghua University Education Foundation

As part of an initiative announced in 2013, Mr. Schwarzman, through the Stephen A. Schwarzman Education Foundation, personally committed \$100 million to create and endow a post-graduate scholarship program at Tsinghua University in Beijing, entitled “Schwarzman Scholars,” and fund the construction of a residential and academic building. He is leading a fundraising campaign to raise \$450 million to support the “Schwarzman Endowment Fund.” The Tsinghua University Education Foundation (“TUEF”) will hold the Schwarzman Endowment Fund and has agreed to delegate management of the fund to Blackstone. We have agreed that TUEF, and certain entities affiliated with TUEF, will not be required to pay Blackstone a management fee for managing the Schwarzman Endowment Fund and, to the extent Blackstone allocates and invests assets of the Schwarzman Endowment Fund in our funds, which may take the form of funded or unfunded general partner commitments to our investment funds, we anticipate that such investments will be subject to reduced or waived management fees and/or carried interest.

Executive Advisor Agreement with Andrew Lapham

Since April 17, 2014, Andrew Lapham has been an Executive Advisor to Blackstone. In his role as an Executive Advisor, Mr. Lapham focuses primarily on sourcing and evaluating the firm’s investment opportunities in Canada. Mr. Lapham is the son-in-law of Mr. Mulroney, who has been a member of the board of directors of our general partner since 2007. Pursuant to the terms of his Executive Advisor Agreement, in respect of his services in 2015, Mr. Lapham is entitled to a \$350,000 annual retainer and a bonus, which for 2015 was \$350,000 and will be paid in 2016. With respect to each investment sourced by him, Mr. Lapham is entitled to receive a transaction fee and, subject to a required capital contribution by Mr. Lapham, a profit sharing percentage of the net profits realized from such investment by the relevant fund. In 2015, we paid Mr. Lapham \$500,000, which represents his annual retainer and a \$150,000 bonus paid in 2015 in respect of his services in 2014.

Bennett J. Goodman

On February 24, 2015, Bennett J. Goodman was appointed to the board of directors of Blackstone Group Management L.L.C., the general partner of The Blackstone Group L.P. Mr. Goodman joined Blackstone in 2008 and is a Senior Managing Director and Co-Founder of GSO Capital Partners. For 2015, Mr. Goodman received a base salary of \$350,000 and an annual cash bonus payment of \$3,207,583. The cash payment was based upon the performance of the Credit segment, including the contribution of all current and past funds within the segment. The ultimate cash payment to Mr. Goodman was, however, determined in the discretion of Mr. Schwarzman and Mr. James.

Mr. Goodman also participated in the performance fees of our funds, consisting of carried interest in our carry funds and incentive fees in our funds that pay incentive fees. The compensation paid to Mr. Goodman in respect of carried interest in our carry funds primarily relates to Mr. Goodman’s participation in the credit funds. The amount of cash payments in respect of carried interest or incentive fee allocations to Mr. Goodman for 2015 was \$9,819,362. See “Executive Compensation — Compensation Elements for Named Executive Officers” in this report for additional discussion of the elements of our compensation program.

In March 2015, Mr. Goodman also received a compensatory grant of 5,028,435 deferred restricted Blackstone Holdings Partnership Units with a grant date fair value of \$190,376,549. These deferred restricted Blackstone Holdings Partnership Units vest over eight years and, after including the additional units granted as required pursuant to the 2007 Equity Incentive Plan in connection with the spin-off the operations that historically constituted our Financial Advisory segment, other than our capital markets services business, vest as follows: 514,213 vested on January 1, 2016, 721,431 vesting on January 1, 2017, 679,986 units vesting on January 1, 2018 and the remainder vesting annually in substantially equal annual installments on January 1 of each year through January 1, 2023. This award represents a buyout of a significant portion of his estimated cash compensation during the eight-year vesting period of the award.

In February 2015, we agreed with the former owners of GSO, including Mr. Goodman, to settle in full our obligation to make further “earn out” payments to them arising from our redemption of profits interests that were issued to them in connection with our acquisition of GSO by making a payment in the form of a combination of vested and unvested restricted Blackstone Holdings Units. In connection therewith, Mr. Goodman received on March 26, 2015, 798,166 Blackstone Holdings Partnership Units (which included 199,542 units to be held in a family limited liability company), 122,385 of which immediately vested, 506,837 of which are to vest on December 31, 2016 and 168,944 of which are to vest on December 31, 2017. In April 2015, we issued Mr. Goodman 635,075 common units (which included 158,769 common units to be held in a family limited liability company) in satisfaction of a 2014 “earn out” payment owed to him and the other former owners of GSO.

Jonathan D. Gray

On February 24, 2012, Jonathan D. Gray was appointed to the board of directors of Blackstone Group Management L.L.C., the general partner of The Blackstone Group L.P. Mr. Gray joined Blackstone in 1992 and is a Senior Managing Director and Global Head of Real Estate. For 2015, Mr. Gray received a base salary of \$350,000 and an annual cash bonus payment of \$25,370,948, net of his mandatory deferral pursuant to the Deferred Compensation Plan. The cash payment was based upon the performance of the Real Estate segment, including the contribution of all current and past funds within the segment dating back to before the IPO. The ultimate cash payment to Mr. Gray was, however, determined in the discretion of Mr. Schwarzman and Mr. James. On January 20, 2016, Mr. Gray was granted 46,814 deferred restricted common units with a grant date fair value of \$1,111,833, reflecting the portion of his annual cash bonus payment mandatorily deferred into deferred restricted common units pursuant to the Deferred Compensation Plan.

Mr. Gray also participated in the performance fees of our funds, consisting of carried interest in our carry funds and incentive fees in our funds that pay incentive fees. The compensation paid to Mr. Gray in respect of carried interest in our carry funds primarily relates to Mr. Gray’s participation in the real estate funds (which were formed both before and after the IPO). The amount of payments in respect of carried interest (whether in cash or in-kind) or incentive fee allocations to Mr. Gray for 2015 was \$90,377,009. Any in-kind distributions in respect of carried interest are reported based on the market value of the securities distributed as of the date of distribution. In 2015, in connection with investment advisory services provided by Blackstone to BXMT, Mr. Gray was also allocated restricted shares of listed common stock of BXMT with a value of \$984,407 based on the closing price of BXMT’s common stock on the date of the award. These restricted shares will vest over three years with one-sixth of the shares vesting at the end of the second quarter after the date of the award and the remaining shares vesting in ten equal quarterly installments thereafter. See “Executive Compensation — Compensation Elements for Named Executive Officers” in this report for additional discussion of the elements of our compensation program.

Blackstone Holdings Partnership Agreements

As a result of the reorganization and the IPO, The Blackstone Group L.P. became a holding partnership and, through wholly owned subsidiaries, held equity interests in the five holdings partnerships (i.e., 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.). On January 1, 2009, in order to simplify our structure and ease the related administrative burden

and costs, we effected an internal restructuring to reduce the number of holding partnerships from five to four by causing Blackstone Holdings III L.P. to transfer all of its assets and liabilities to Blackstone Holdings IV L.P. In connection therewith, Blackstone Holdings IV L.P. was renamed Blackstone Holdings III L.P. and Blackstone Holdings V L.P. was renamed Blackstone Holdings IV L.P. On October 1, 2015, Blackstone formed a new holding partnership, Blackstone Holdings AI L.P., which will hold certain operating entities and operate in a manner similar to the existing Blackstone Holdings Partnerships. The economic interests of The Blackstone Group L.P. in Blackstone's business remains entirely unaffected. "Blackstone Holdings" refers to (a) 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. prior to the January 2009 reorganization, (b) Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. from January 1, 2009 through October 1, 2015 and (c) Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P. and Blackstone Holdings AI L.P. subsequent to the October 2015 creation of Blackstone Holdings AI L.P.

Wholly owned subsidiaries of The Blackstone Group L.P. which are the general partners of those partnerships have the right to determine when distributions will be made to the partners of Blackstone Holdings and the amount of any such distributions. If a distribution is authorized, such distribution will be made to the partners of Blackstone Holdings pro rata in accordance with the percentages of their respective partnership interests as described under "Part II. Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities — Cash Distribution Policy."

Each of the Blackstone Holdings Partnerships has an identical number of partnership units outstanding, and we use the terms "Blackstone Holdings Partnership Unit" or "partnership unit in/of Blackstone Holdings" to refer, collectively, to a partnership unit in each of the Blackstone Holdings Partnerships. The holders of partnership units in Blackstone Holdings, including The Blackstone Group L.P.'s wholly owned subsidiaries, will incur U.S. federal, state and local income taxes on their proportionate share of any net taxable income of Blackstone Holdings. Net profits and net losses of Blackstone Holdings will generally be allocated to its partners (including The Blackstone Group L.P.'s wholly owned subsidiaries) pro rata in accordance with the percentages of their respective partnership interests as described under "Part II. Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities — Cash Distribution Policy." The partnership agreements of the Blackstone Holdings Partnerships provide for cash distributions, which we refer to as "tax distributions," to the partners of such partnerships if the wholly owned subsidiaries of The Blackstone Group L.P. which are the general partners of the Blackstone Holdings Partnerships determine that the taxable income of the relevant partnership will give rise to taxable income for its partners. Generally, these tax distributions are computed based on our estimate of the net taxable income of the relevant partnership allocable to a partner multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident in New York, New York (taking into account the non-deductibility of certain expenses and the character of our income). Tax distributions are made only to the extent all distributions from such partnerships for the relevant year are insufficient to cover such tax liabilities.

Subject to the vesting and minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings Partnerships, Blackstone Holdings Partnership Units may be exchanged for The Blackstone Group L.P. common units as described under "— Exchange Agreement" below. In addition, the Blackstone Holdings partnership agreements authorize the wholly owned subsidiaries of The Blackstone Group L.P. which are the general partners of those partnerships to issue an unlimited number of additional partnership securities of the Blackstone Holdings Partnerships with such designations, preferences, rights, powers and duties that are different from, and may be senior to, those applicable to the Blackstone Holdings Partnership Units, and which may be exchangeable for our common units.

See "— Item 11. Executive Compensation — Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards in 2015 — Terms of Blackstone Holdings Partnership Units Granted in 2015 and Prior Years" for a discussion of vesting provisions applicable to Blackstone personnel in respect of the Blackstone Holdings Partnership Units received by them in the reorganization and for a discussion of minimum retained

ownership requirements and transfer restrictions applicable to the Blackstone Holdings Partnership Units. The generally applicable vesting and minimum retained ownership requirements and transfer restrictions are outlined in the sections referenced in the preceding sentence. There may be some different arrangements for some individuals in some instances. In addition, we may waive these requirements and restrictions from time to time.

In addition, substantially all of our expenses, including substantially all expenses solely incurred by or attributable to The Blackstone Group L.P. but not including obligations incurred under the tax receivable agreement by The Blackstone Group L.P.'s wholly owned subsidiaries, income tax expenses of The Blackstone Group L.P.'s wholly owned subsidiaries and payments on indebtedness incurred by The Blackstone Group L.P.'s wholly owned subsidiaries, are borne by Blackstone Holdings.

Exchange Agreement

In connection with the reorganization and IPO, we entered into an exchange agreement with the holders of partnership units in Blackstone Holdings (other than The Blackstone Group L.P.'s wholly owned subsidiaries). In addition, newly admitted Blackstone senior managing directors and certain others who acquire Blackstone Holdings Partnership Units have subsequently become parties to the exchange agreement. Under the exchange agreement, subject to the vesting and minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone Holdings Partnerships, each such holder of Blackstone Holdings Partnership Units (and certain transferees thereof) may up to four times each year (subject to the terms of the exchange agreement) exchange these partnership units for The Blackstone Group L.P. common units on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. Under the exchange agreement, to effect an exchange a holder of partnership units in Blackstone Holdings must simultaneously exchange one partnership unit in each of the Blackstone Holdings Partnerships. As a holder exchanges its Blackstone Holdings Partnership Units, The Blackstone Group L.P.'s indirect interest in the Blackstone Holdings Partnerships will be correspondingly increased.

Firm Use of Private Aircraft

Certain entities controlled by Mr. Schwarzman wholly own aircraft that we use for business purposes in the course of our operations. Mr. Schwarzman paid for his respective ownership interests in the aircraft himself and bore his respective share of all operating, personnel and maintenance costs associated with their operation. The hourly payments we made for such use were based on current market rates. In 2015, we made payments of \$2.5 million for the use of such aircraft, which included \$0.7 million paid directly to the managers of the aircraft.

An entity jointly controlled by Mr. James and Mr. Gray wholly owns an airplane that we use for business purposes in the course of our operations. Each of Mr. James and Mr. Gray paid for his respective ownership interest in the aircraft himself and bore his respective share of the operating, personnel and maintenance costs associated with its operation. The hourly payments we made for such use were based on current market rates. In 2015 we made payments of \$1.0 million to the manager of the aircraft for such use.

An entity controlled by Mr. Goodman, jointly with an entity controlled by another senior managing director of Blackstone, owns an airplane that we may use for business purposes in the course of our operations. Mr. Goodman paid for his ownership interest in the aircraft himself and bears his respective share of the operating, personnel and maintenance costs associated with its operation. The hourly payments we would make for any such use of the airplane owned by Mr. Goodman would be based on current market rates. In 2015, there was no such use.

Investment in or Alongside Our Funds

Our directors and executive officers may invest their own capital in or alongside our carry funds without being subject to management fees or carried interest. These investments may be made through the applicable fund general partner and fund a portion of the general partner capital commitments to our funds. In addition, our directors and

executive officers may invest their own capital in our funds of hedge funds and credit-focused funds that are structured as hedge funds, in some instances, not subject to management fees or carried interest. These investment opportunities are available to all of our senior managing directors and to those of our employees whom we have determined to have a status that reasonably permits us to offer them these types of investments in compliance with applicable laws. During the year ended December 31, 2015, our directors and executive officers (and, in some cases, certain investment trusts or other family vehicles or charitable organizations controlled by them or their immediate family members) had the following net contributions or net distributions relating to their personal investments (and the investments of any such trusts) in Blackstone-managed investment funds: Mr. Schwarzman, Mr. James, Mr. Hill, Mr. Gray, Mr. Light and Mr. Mulroney received net distributions of \$65.6 million, \$68.5 million, \$18.4 million, \$19.4 million, \$0.15 million, \$0.6 million, respectively, and Mr. Tosi, Mr. Goodman and Mr. Chae made net contributions of \$0.5 million, \$5.1 million and \$1.3 million, respectively.

Statement of Policy Regarding Transactions with Related Persons

The board of directors of our general partner has adopted a written statement of policy regarding transactions with related persons, which we refer to as our “related person policy.” Our related person policy requires that a “related person” (as defined as in paragraph (a) of Item 404 of Regulation S-K) must promptly disclose to the Chief Legal Officer of our general partner any “related person transaction” (defined as any transaction that is reportable by us under Item 404(a) of Regulation S-K in which we were or are to be a participant and the amount involved exceeds \$120,000 and in which any related person had or will have a direct or indirect material interest) and all material facts with respect thereto. The Chief Legal Officer will then promptly communicate that information to the board of directors of our general partner. No related person transaction will be consummated without the approval or ratification of the board of directors of our general partner or any committee of the board of directors consisting exclusively of disinterested directors. It is our policy that directors interested in a related person transaction will recuse themselves from any vote of a related person transaction in which they have an interest.

Indemnification of Directors and Officers

Under our partnership agreement, in most circumstances we will indemnify the following persons, to the fullest extent permitted by law, from and against all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements or other amounts: our general partner; any departing general partner; any person who is or was an affiliate of a general partner or any departing general partner; any person who is or was a member, partner, tax matters partner, officer, director, employee, agent, fiduciary or trustee of us or our subsidiaries, the general partner or any departing general partner or any affiliate of ours or our subsidiaries, the general partner or any departing general partner; any person who is or was serving at the request of a general partner or any departing general partner or any affiliate of a general partner or any departing general partner as an officer, director, employee, member, partner, agent, fiduciary or trustee of another person; or any person designated by our general partner. We have agreed to provide this indemnification to the extent such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the partnership, and with respect to any alleged conduct resulting in a criminal proceeding against such person, to deny indemnification if such person had reasonable cause to believe that his or her conduct was unlawful. We have also agreed to provide this indemnification for criminal proceedings. Any indemnification under these provisions will only be out of our assets. Unless it otherwise agrees, the general partner will not be personally liable for, or have any obligation to contribute or loan funds or assets to us to enable it to effectuate indemnification. We may purchase insurance against liabilities asserted against and expenses incurred by persons for our activities, regardless of whether we would have the power to indemnify the person against liabilities under our partnership agreement.

We will also indemnify any of our employees who personally becomes subject to a “clawback” obligation to one of our investment funds in respect of carried interest that we have received. See “Part I. Item 1. Business—Incentive Arrangements / Fee Structure.”

Non-Competition and Non-Solicitation Agreements

We have entered into a non-competition and non-solicitation agreement with each of our professionals and other senior employees, including each of our executive officers. See “— Item 11. Executive Compensation—Non-Competition and Non-Solicitation Agreements” for a description of the material terms of such agreements.

Director Independence

Because we are a publicly traded limited partnership, the NYSE rules do not require our general partner’s board to be made up of a majority of independent directors. All of the non-management directors of our general partner’s board of directors satisfy the independence requirements of the NYSE. These directors are Messrs. Grauer, Jenrette, Light, Mulroney and Parrett and Ms. Lazarus. Based on all relevant facts and circumstances, our general partner’s board of directors affirmatively determined that the independent directors have no material relationship with us or our general partner. In making a determination with regard to Mr. Grauer’s independence, our general partner’s board of directors considered Mr. Grauer’s role as a member of the Board of Trustees of the Inner-City Scholarship Fund and Mr. Schwarzman’s past and currently pledged contributions to the Inner-City Scholarship Fund. The board of directors of our general partner follows the following standards in determining director independence:

Under any circumstances, a director is not independent if:

- the director is, or has been within the preceding three years, employed by our general partner or us,
- an immediate family member of the director was employed as an executive officer of our general partner or us within the preceding three years,
- the director, or an immediate family member of that director, received within the preceding three years more than \$120,000 in any twelve-month period in direct compensation from us, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service),
- the director is a current partner or employee of a firm that is our internal or external auditor; the director has an immediate family member who is a current partner of such a firm; the director has an immediate family member who is a current employee of such a firm and personally works on our audit; or the director or an immediate family member of that director was within the last three years a partner or employee of such a firm and personally worked on our or a predecessor’s audit within that time,
- the director or an immediate family member is, or has been within the preceding three years, employed as an executive officer of another company where any of our general partner’s present executive officers at the same time serves or served on such other company’s compensation committee, or
- the director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, us for property or services in an amount which, in any of the preceding three fiscal years, exceeds the greater of \$1,000,000 or two percent (2%) of the consolidated gross revenues of the other company.

The following commercial or charitable relationships will not be considered to be material relationships that would impair a director’s independence:

- if the director or an immediate family member of that director serves as an executive officer, director or trustee of a charitable organization, and our annual charitable contributions to that organization (excluding contributions by us under any established matching gift program) are less than the greater of \$1,000,000 or two percent (2%) of that organization’s consolidated gross revenues in its most recent fiscal year, and
- if the director or an immediate family member of that director (or a company for which the director serves as a director or executive officer) invests in or alongside of one or more investment funds or investment companies managed by us or any of our subsidiaries, whether or not fees or other incentive arrangements for us or our subsidiaries are borne by the investing person.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The following table summarizes the aggregate fees for professional services provided by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu and their respective affiliates (collectively, the “Deloitte Entities”):

	Year Ended December 31, 2015		
	The Blackstone Group L.P.	Blackstone Entities, Principally Fund Related (d)	Blackstone Funds, Transaction Related (e)
		(Dollars in Thousands)	
Audit Fees	\$ 10,305(a)	\$ 33,745	\$ —
Audit-Related Fees	\$ 207(b)	\$ 244	\$ 10,862
Tax Fees	\$ 538(c)	\$ 57,914	\$ 7,235

	Year Ended December 31, 2014		
	The Blackstone Group L.P.	Blackstone Entities, Principally Fund Related (d)	Blackstone Funds, Transaction Related (e)
		(Dollars in Thousands)	
Audit Fees	\$ 8,636(a)	\$ 33,273	\$ —
Audit-Related Fees	\$ 235(b)	\$ 180	\$ 19,246
Tax Fees	\$ 414(c)	\$ 45,569	\$ 2,920
All Other Fees	\$ —	\$ 56	\$ —

- (a) Audit Fees consisted of fees for (1) the audits of our consolidated financial statements in our Annual Report on Form 10-K and services attendant to, or required by, statute or regulation, (2) reviews of the interim condensed consolidated financial statements included in our quarterly reports on Form 10-Q, and (3) consents and other services related to SEC and other regulatory filings.
- (b) Audit-Related Fees include risk advisory services.
- (c) Tax Fees consisted of fees for services rendered for tax compliance and tax planning and advisory services.
- (d) The Deloitte Entities also provide audit, audit-related and tax services (primarily tax compliance and related services) to certain Blackstone funds and other corporate entities. Also included in these amounts are audit and tax fees related to the spin-off of Blackstone’s financial advisory practice.
- (e) Audit-Related and Tax Fees included merger and acquisition due diligence services provided in connection with potential acquisitions of portfolio companies for investment purposes primarily to certain private equity and real estate funds managed by Blackstone in its capacity as the general partner. In addition, the Deloitte Entities provide audit, audit-related, tax and other services to the portfolio companies, which are approved directly by the portfolio company’s management and are not included in the amounts presented here.

Our audit committee charter, which is available on our website at <http://ir.blackstone.com> under “Corporate Governance,” requires the audit committee to approve in advance all audit and non-audit related services to be provided by our independent registered public accounting firm in accordance with the audit and non-audit related services pre-approval policy. All services reported in the Audit, Audit-Related, Tax and All Other Fees categories above were approved by the audit committee.

PART IV.**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES**

(a) The following documents are filed as part of this annual report.

1. *Financial Statements:*

See Item 8 above.

2. *Financial Statement Schedules:*

Schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions or are not applicable, and therefore have been omitted.

3. *Exhibits:*

<u>Exhibit Number</u>	<u>Exhibit Description</u>
3.1	Certificate of Limited Partnership of The Blackstone Group L.P. (incorporated herein by reference to Exhibit 3.1 to the Registrant's Registration Statement on Form S-1 (File No. 333-141504) filed with the SEC on March 22, 2007).
3.2	Amended and Restated Agreement of Limited Partnership of The Blackstone Group L.P. (incorporated herein by reference to Exhibit 3.1 to Form 8-K (File No. 001-33551) filed with the SEC on June 27, 2007).
3.2.1	Amendment No. 1 to the Amended and Restated Agreement of Limited Partnership of The Blackstone Group L.P., dated as of November 3, 2009 (incorporated herein by reference to Exhibit 3.2.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 (File No. 001-33551) filed with the SEC on November 6, 2009).
3.2.2	Amendment No. 2 to the Amended and Restated Agreement of Limited Partnership of The Blackstone Group L.P., dated as of November 4, 2011 (incorporated herein by reference to Exhibit 3.2.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 (File No. 001-33551) filed with the SEC on November 9, 2011).
4.1	Indenture dated as of August 20, 2009 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K dated August 20, 2009).
4.2	First Supplemental Indenture dated as of August 20, 2009 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K dated August 20, 2009).
4.3	Form of 6.625% Senior Note due 2019 (included in Exhibit 4.2 and incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K dated August 20, 2009).
4.4	Second Supplemental Indenture dated as of September 20, 2010, among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on September 22, 2010).
4.5	Form of 5.875% Senior Note due 2021 (included in Exhibit 4.4 hereto).

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Exhibit Number	Exhibit Description
4.6	Third Supplemental Indenture dated as of August 17, 2012 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on August 17, 2012).
4.7	Form of 4.75% Senior Note due 2023 (included in Exhibit 4.6 hereto).
4.8	Fourth Supplemental Indenture dated as of August 17, 2012 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.4 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on August 17, 2012).
4.9	Form of 6.25% Senior Note due 2042 (included in Exhibit 4.8 hereto).
4.10	Fifth Supplemental Indenture dated as of April 7, 2014 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on April 7, 2014).
4.11	Form of 5.000% Senior Note due 2044 (included in Exhibit 4.10 hereto).
4.12	Sixth Supplemental Indenture dated as of April 27, 2015 among Blackstone Holdings Finance Co. L.L.C., 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. and The Bank of New York Mellon, as trustee (incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on April 27, 2015).
4.13	Form of 4.450% Senior Note due 2045 (included in Exhibit 4.12 hereto).
4.14	Seventh Supplemental Indenture dated as of May 19, 2015 among Blackstone Holdings Finance Co. L.L.C., 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., The Bank of New York Mellon, as trustee, and The Bank of New York Mellon, London Branch, as paying agent (incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on May 19, 2015).
4.15	Form of 2.000% Senior Note due 2025 (included in Exhibit 4.14 hereto).
4.16*	Guarantor Joinder Agreement dated as of October 1, 2015 among Blackstone Holdings Finance Co. L.L.C., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P., Blackstone Holdings AI L.P. and Citibank, N.A., as administrative agent.
4.17*	Eighth Supplemental Indenture dated as of October 1, 2015 among Blackstone Holdings Finance Co. L.L.C., 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 AI L.P. and The Bank of New York Mellon, as Trustee.
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 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.1.1	Amendment No. 1 to the Amended and Restated Agreement of Limited Partnership of Blackstone Holdings I L.P., dated as of November 3, 2009 (incorporated herein by reference to Exhibit 10.1.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 (File No. 001-33551) filed with the SEC on November 6, 2009).
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 (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.2.1	Amendment No. 1 to the Amended and Restated Agreement of Limited Partnership of Blackstone Holdings II L.P., dated as of November 3, 2009 (incorporated herein by reference to Exhibit 10.2.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 (File No. 001-33551) filed with the SEC on November 6, 2009).
10.3	Second Amended and Restated Limited Partnership Agreement of Blackstone Holdings III L.P., dated as of January 1, 2009, by and among Blackstone Holdings III GP L.L.C. and the limited partners of Blackstone Holdings III L.P. party thereto (incorporated herein by reference to Exhibit 10.3 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.3.1	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Blackstone Holdings III L.P., dated as of November 3, 2009 (incorporated herein by reference to Exhibit 10.3.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 (File No. 001-33551) filed with the SEC on November 6, 2009).
10.4	Second Amended and Restated Limited Partnership Agreement of Blackstone Holdings IV L.P., dated as of January 1, 2009, by and among Blackstone Holdings IV GP L.P. and the limited partners of Blackstone Holdings IV L.P. party thereto (incorporated herein by reference to Exhibit 10.4 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.4.1	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Blackstone Holdings IV L.P., dated as of November 3, 2009 (incorporated herein by reference to Exhibit 10.4.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2009 (File No. 001-33551) filed with the SEC on November 6, 2009).
10.5*	Amended and Restated Limited Partnership Agreement of Blackstone Holdings AI L.P., dated as of October 1, 2015.
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 (incorporated herein by reference to Exhibit 10.6 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.7*	Third Amended and Restated Exchange Agreement, dated as of October 1, 2015, among The Blackstone Group L.P., Blackstone Holdings AI L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P. and the Blackstone Holdings Limited Partners party thereto.
10.8	Registration Rights Agreement, dated as of June 18, 2007 (incorporated herein by reference to Exhibit 10.8 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).

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Exhibit Number	Exhibit Description
10.9.1+	The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on July 9, 2014).
10.10+	The Blackstone Group L.P. Sixth Amended and Restated Bonus Deferral Plan effective as of December 1, 2014 (incorporated herein by reference to Exhibit 10.9 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 001-33551) filed with the SEC on February 27, 2015).
10.11+	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 (incorporated herein by reference to Exhibit 10.10 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.12+	Agreement, dated as of June 9, 2008, between Blackstone Holdings I L.P. and Laurence A. Tosi (incorporated herein by reference to Exhibit 10.28 to the Registrant's Current Report on Form 8-K filed with the SEC on June 12, 2008).
10.13	Agreement, dated as of November 3, 2015, between Blackstone Holdings I L.P. and Laurence A. Tosi (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2015 (File No. 001-33551) filed with the SEC on November 5, 2015).
10.14+	Form of Senior Managing Director Agreement by and among Blackstone Holdings I L.P. and each of the Senior Managing Directors from time to time party thereto (incorporated herein by reference to Exhibit 10.12 to the Registrant's Registration Statement on Form S-1/A (File No. 333-141504) filed with the SEC on June 14, 2007). (Applicable to all executive officers other than Messrs. Schwarzman and Peterson).
10.15+	Form of Deferred Restricted Common Unit Award Agreement (Directors) (incorporated herein by reference to Exhibit 10.36 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2008 (File No. 001-33551) filed with the SEC on August 8, 2008).
10.16+	Form of Deferred Restricted Blackstone Holdings Unit Award Agreement for Executive Officers (incorporated herein by reference to Exhibit 10.37 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (File No. 001-33551) filed with the SEC on November 7, 2008).
10.17	Amended and Restated Credit Agreement dated as of March 23, 2010, as amended and restated as of May 29, 2014, among Blackstone Holdings Finance Co. L.L.C., as borrower, Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P., as guarantors, Citibank, N.A., as administrative agent and the lenders party thereto (incorporated herein by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K (File No. 001-33551) filed with the SEC on June 4, 2014).
10.18	Letter Agreement between The Blackstone Group L.P. and the Beijing Wonderful Investments Ltd, dated May 22, 2007 (incorporated herein by reference to Exhibit 10.12 to the Registrant's Registration Statement on Form S-1/A (File No. 333-141504) filed with the SEC on June 4, 2007).
10.19	Letter Agreement, dated October 16, 2008, between The Blackstone Group L.P. and Beijing Wonderful Investments Ltd, amending the Letter Agreement, dated May 22, 2007, between The Blackstone Group L.P. and Beijing Wonderful Investments Ltd (incorporated herein by reference to Exhibit 10.16.1 to the Registrants' Current Report on Form 8-K filed with the SEC on October 16, 2008).
10.20+	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. (incorporated herein by reference to Exhibit 10.12 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.21+	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 (incorporated herein by reference to Exhibit 10.13 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.21.1+	Amendment No. 1 dated as of January 1, 2008 to the 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 (incorporated herein by reference to Exhibit 10.19.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-33551) filed with the SEC on May 15, 2008).
10.22+	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 (incorporated herein by reference to Exhibit 10.14 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.23.1+	Amendment No. 1 dated as of January 1, 2008 to the 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 (incorporated herein by reference to Exhibit 10.20.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-33551) filed with the SEC on May 15, 2008).
10.24+	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. (incorporated herein by reference to Exhibit 10.15 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.25+	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. (incorporated herein by reference to Exhibit 10.16 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.26+	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. (incorporated herein by reference to Exhibit 10.17 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.27+	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. (incorporated herein by reference to Exhibit 10.18 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.28+	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. (incorporated herein by reference to Exhibit 10.19 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).

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Exhibit Number	Exhibit Description
10.29+	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. (incorporated herein by reference to Exhibit 10.20 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.29.1+	Amendment No. 1 dated as of January 1, 2008 to the 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. (incorporated herein by reference to Exhibit 10.26.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-33551) filed with the SEC on May 15, 2008).
10.30	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. (incorporated herein by reference to Exhibit 10.21 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007 (File No. 001-33551) filed with the SEC on August 13, 2007).
10.31+	Amended and Restated Limited Liability Company Agreement of BCLA L.L.C., dated as of April 15, 2008, by and among Blackstone Holdings III L.P. and certain members of BCLA L.L.C. (incorporated herein by reference to Exhibit 10.28 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2008 (File No. 001-33551) filed with the SEC on May 15, 2008).
10.32+	Third Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Management Associates Europe III L.P., dated as of June 30, 2008 (incorporated herein by reference to Exhibit 10.28 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2008 (File No. 001-33551) filed with the SEC on August 8, 2008).
10.33+	Second Amended and Restated Limited Liability Company Agreement of Blackstone Real Estate Special Situations Associates L.L.C., dated as of June 30, 2008 (incorporated herein by reference to Exhibit 10.29 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2008 (File No. 001-33551) filed with the SEC on August 8, 2008).
10.34+	BMA VI L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of July 31, 2008 (incorporated herein by reference to Exhibit 10.30 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2008 (File No. 001-33551) filed with the SEC on November 7, 2008).
10.35+	Fourth Amended and Restated Limited Liability Company Agreement of GSO Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.33 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001- 33551) filed with the SEC on March 2, 2009).
10.36+	Amended and Restated Limited Liability Company Agreement of GSO Overseas Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.34 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.37+	Third Amended and Restated Limited Liability Company Agreement of GSO Origination Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.35 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.38+	Third Amended and Restated Limited Liability Company Agreement of GSO Capital Opportunities Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.36 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.39+	Third Amended and Restated Limited Liability Company Agreement of GSO Capital Opportunities Overseas Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.37 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.40+	Second Amended and Restated Limited Liability Company Agreement of GSO Liquidity Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.38 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.41+	Amended and Restated Limited Liability Company Agreement of GSO Liquidity Overseas Associates LLC, dated as of March 3, 2008 (incorporated herein by reference to Exhibit 10.39 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2008 (File No. 001-33551) filed with the SEC on March 2, 2009).
10.42+	Blackstone / GSO Capital Solutions Associates LLC Second Amended and Restated Limited Liability Company Agreement, dated as of May 22, 2009 (incorporated herein by reference to Exhibit 10.40 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 (File No. 001-33551) filed with the SEC on August 7, 2009).
10.43+	Blackstone / GSO Capital Solutions Overseas Associates LLC Second Amended and Restated Limited Liability Company Agreement, dated as of July 10, 2009 (incorporated herein by reference to Exhibit 10.41 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 (File No. 001-33551) filed with the SEC on August 7, 2009).
10.44+	Blackstone Real Estate Special Situations Associates II L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of June 30, 2009 (incorporated herein by reference to Exhibit 10.42 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 (File No. 001-33551) filed with the SEC on August 7, 2009).
10.45+	Blackstone Real Estate Special Situations Management Associates Europe L.P. Amended and Restated Agreement of Limited Partnership, dated as of June 30, 2009 (incorporated herein by reference to Exhibit 10.43 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 (File No. 001-33551) filed with the SEC on August 7, 2009).
10.46+	BRECA L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of May 1, 2009 (incorporated herein by reference to Exhibit 10.44 to the Registrant's Quarterly Report on 10-Q for the quarter ended June 30, 2009 (File No. 001-33551) filed with the SEC on August 7, 2009).
10.47	Amended and Restated Master Aircraft Dry Lease Agreement between 113CS LLC and Blackstone Management Partners IV, L.L.C., dated as of February 27, 2012 (incorporated herein by reference to Exhibit 10.44 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 (File No. 001-33551) filed with the SEC on February 28, 2012).
10.48	GSO Targeted Opportunity Associates LLC Amended and Restated Limited Liability Company Agreement Dated as of December 9, 2009 (incorporated herein by reference to Exhibit 10.48 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (File No. 001-33551) filed with the SEC on May 10, 2010).

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
10.49	GSO Targeted Opportunity Overseas Associates LLC Amended and Restated Limited Liability Company Agreement, dated as of December 9, 2009 (incorporated herein by reference to Exhibit 10.49 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 (File No. 001-33551) filed with the SEC on May 10, 2010).
10.50	BCVA L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of July 8, 2010 (incorporated herein by reference to Exhibit 10.50 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2010 (File No. 001-33551) filed with the SEC on August 6, 2010).
10.51	Amended and Restated Agreement of Exempted Limited Partnership of MB Asia REA L.P., dated November 23, 2010 (incorporated herein by reference to Exhibit 10.51 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2010 (File No. 001-33551) filed with the SEC on February 25, 2011).
10.52	Amended and Restated Limited Liability Company Agreement of GSO SJ Partners Associates LLC, dated December 7, 2010, by and among GSO Holdings I L.L.C. and certain members of GSO SJ Partners Associates LLC thereto (incorporated herein by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2011 (File No. 001-33551) filed with the SEC on May 6, 2011).
10.53+*	Amended and Restated Exempted Limited Partnership Agreement of GSO Capital Opportunities Associates II LP, dated as of December 31, 2015.
10.54	Blackstone EMA L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of August 1, 2011 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 (File No. 001-33551) filed with the SEC on November 9, 2011).
10.55	GSO NMERB Associates LLC Amended and Restated Limited Liability Company Agreement, dated as of August 25, 2011 (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 (File No. 001-33551) filed with the SEC on November 9, 2011).
10.56	Blackstone Real Estate Associates VII L.P. Amended and Restated Agreement of Limited Partnership, dated as of September 1, 2011 (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 (File No. 001-33551) filed with the SEC on November 9, 2011).
10.56.1	Blackstone Real Estate Associates VII L.P. Second Amended and Restated Agreement of Limited Partnership, dated as of September 1, 2011 (incorporated herein by reference to Exhibit 10.53.1 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2011 (File No. 001-33551) filed with the SEC on February 28, 2012).
10.57	GSO Energy Partners-A Associates LLC Second Amended and Restated Limited Liability Company Agreement, dated as of February 28, 2012 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 (File No. 001-33551) filed with the SEC on May 7, 2012).
10.58	BTOA L.L.C. Amended and Restated Limited Liability Company Agreement, dated as of February 15, 2012 (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012 (File No. 001-33551) filed with the SEC on May 7, 2012).
10.59+	Form of Deferred Holdings Unit Agreement for Senior Managing Directors (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No. 001-33551) filed with the SEC on August 7, 2012).

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Exhibit Number	Exhibit Description
10.60+	Amended and Restated Limited Liability Company Agreement of Blackstone Commercial Real Estate Debt Associates L.L.C., dated as of November 12, 2010 (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 (File No. 001-33551) filed with the SEC on August 7, 2012).
10.61+	Limited Liability Company Agreement of Blackstone Innovations L.L.C., dated November 2, 2012 (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 (File No. 001-33551) filed with the SEC on November 2, 2012).
10.62+	Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Innovations (Cayman) III L.P., dated November 2, 2012 (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended September 30, 2012 (File No. 001-33551) filed with the SEC on November 2, 2012).
10.63+	GSO Foreland Resources Co-Invest Associates LLC Amended and Restated Limited Liability Company Agreement, dated as of August 10, 2012 (incorporated herein by reference to Exhibit 10.60 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 001-33551) filed with the SEC on March 1, 2013).
10.64+	GSO Palmetto Opportunistic Associates LLC Amended and Restated Limited Liability Company Agreement, dated as of July 31, 2012 (incorporated herein by reference to Exhibit 10.61 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2012 (File No. 001-33551) filed with the SEC on March 1, 2013).
10.65+	Agreement, dated as of July 6, 2010, between Blackstone Holdings I L.P. and John G. Finley (incorporated herein by reference to Exhibit 10.62 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-33551) filed with the SEC on February 28, 2014).
10.66+	Second Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Real Estate Associates Asia L.P., dated February 26, 2014 (incorporated herein by reference to Exhibit 10.63 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-33551) filed with the SEC on February 28, 2014).
10.67+	Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Real Estate Associates Europe IV L.P., dated February 26, 2014 (incorporated herein by reference to Exhibit 10.64 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2013 (File No. 001-33551) filed with the SEC on February 28, 2014).
10.68+	Aircraft Dry Lease Agreement between XB Partners LLC and Blackstone Administrative Services Partnership L.P. dated as of February 27, 2015 (incorporated herein by reference to Exhibit 10.65 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 001-33551) filed with the SEC on February 27, 2015).
10.69+	Form of GSO Senior Managing Director Agreement by and among Blackstone Holdings I L.P. and each of the Senior Managing Directors from time to time party thereto (incorporated herein by reference to Exhibit 10.66 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 001-33551) filed with the SEC on February 27, 2015).
10.70+	Form of GSO Senior Managing Director Non-Compensation and Non-Solicitation Agreement by and among Blackstone Holding among Blackstone Holdings I L.P., Blackstone Holdings II L. P., Blackstone Holdings III L.P., Blackstone Holdings IV L.P. and each of the Senior Managing Directors from time to time party thereto (incorporated herein by reference to Exhibit 10.67 to the Registrant's Annual Report on Form 10-K for the year ended December 31, 2014 (File No. 001-33551) filed with the SEC on February 27, 2015).

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Exhibit Number	Exhibit Description
10.71+	Form of Performance Earn Out Letter Agreement by and among Blackstone Holdings I L.P., GSO Holdings I L.L.C. and each of the GSO individuals party thereto (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (File No. 001-33551) filed with the SEC on May 8, 2015).
10.72+	Performance Earn Out Side Letter by and between Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. and Bennett J. Goodman dated February 24, 2015 (incorporated herein by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (File No. 001-33551) filed with the SEC on May 8, 2015).
10.73+	Form of Deferred Holdings Unit Agreement between The Blackstone Group L.P. and each GSO participant party thereto (incorporated herein by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (File No. 001-33551) filed with the SEC on May 8, 2015).
10.74	Aircraft Dry Lease Agreement between 113CS LLC and Blackstone Administrative Services Partnership L.P., dated as of January 15, 2015 (incorporated herein by reference to Exhibit 10.4 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015 (File No. 001-33551) filed with the SEC on May 8, 2015).
10.75+	Form of Special Equity Award — Deferred Holdings Unit Agreement under The Blackstone Group L.P. 2007 Equity Incentive Plan (incorporated herein by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2015 (File No. 001-33551) filed with the SEC on August 6, 2015).
10.76+*	Amended and Restated Agreement of Limited Partnership of BREP Edens Associates L.P., dated as of December 18, 2013.
10.77+*	Amended and Restated Agreement of Exempt Limited Partnership of Blackstone AG Associates L.P., dated as of February 16, 2016 and deemed effective as of May 30, 2014.
10.78+*	Amended and Restated Agreement of Limited Partnership of BREP OMP Associates L.P., dated as of June 27, 2014.
10.79+*	Amended and Restated Agreement of Exempted Limited Partnership of Blackstone OBS Associates L.P., dated as of February 16, 2016 and deemed effective July 25, 2014.
10.80+*	Amended and Restated Limited Liability Company Agreement of Blackstone EMA II L.L.C., dated as of October 21, 2014.
10.81+*	Second Amended and Restated Agreement of Limited Partnership of Blackstone Liberty Place Associates L.P., dated as of February 9, 2015.
10.82+*	Second Amended and Restated Agreement of Exempted Limited Partnership of BPP Core Asia Associates L.P., dated February 16, 2016 and deemed effective March 18, 2015.
10.83+*	Second Amended and Restated Agreement of Exempted Limited Partnership of BPP Core Asia Associates-NQ L.P., dated as of February 16, 2016 and deemed effective March 18, 2015.
10.84+*	Amended and Restated Agreement of Limited Partnership of Blackstone Real Estate Associates VIII L.P., dated as of March 27, 2015.
10.85+*	Amended and Restated Limited Liability Company Agreement of BMA VII L.L.C., dated as of May 13, 2015.
10.86+*	Amended and Restated Agreement of Exempt Limited Partnership of Blackstone Property Associates International L.P., dated as of February 16, 2016 and deemed effective as of July 15, 2015.
10.87+*	Amended and Restated Agreement of Exempt Limited Partnership of Blackstone Property Associates International-NQ L.P., dated as of February 16, 2016 and deemed effective July 28, 2015.

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<u>Exhibit Number</u>	<u>Exhibit Description</u>
21.1*	Subsidiaries of the Registrant.
23.1*	Consent of Deloitte & Touche LLP.
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).
99.1*	Section 13(r) Disclosure.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Taxonomy Extension Schema Document.
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith.

+ Management contract or compensatory plan or arrangement in which directors or executive officers are eligible to participate.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: February 26, 2016

The Blackstone Group L.P.

By: Blackstone Group Management L.L.C.,
its General Partner

Name: /s/ Michael S. Chae
Title: Michael S. Chae
Chief Financial Officer
(Principal Financial Officer and Authorized Signatory)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on this 26th day of February, 2016.

<u>Signature</u>	<u>Title</u>
<u>/s/ Stephen A. Schwarzman</u> Stephen A. Schwarzman	Chief Executive Officer and Chairman of the Board of Directors (Principal Executive Officer)
<u>/s/ Bennett J. Goodman</u> Bennett J. Goodman	Director
<u>/s/ Jonathan D. Gray</u> Jonathan D. Gray	Director
<u>/s/ J. Tomilson Hill</u> J. Tomilson Hill	Director
<u>/s/ Hamilton E. James</u> Hamilton E. James	Director
<u>/s/ Peter T. Grauer</u> Peter T. Grauer	Director
<u>/s/ Richard Jenrette</u> Richard Jenrette	Director
<u>/s/ Rochelle B. Lazarus</u> Rochelle B. Lazarus	Director
<u>/s/ Jay O. Light</u> Jay O. Light	Director
<u>/s/ Brian Mulroney</u> Brian Mulroney	Director

<u>Signature</u>	<u>Title</u>
<div>/s/ William G. Parrett</div> <div>William G. Parrett</div>	Director
<div>/s/ Michael S. Chae</div> <div>Michael S. Chae</div>	Chief Financial Officer (Principal Financial Officer)
<div>/s/ Kathleen Skero</div> <div>Kathleen Skero</div>	Principal Accounting Officer (Principal Accounting Officer)

EXECUTION VERSION

GUARANTOR JOINDER AGREEMENT (this “Guarantor Joinder Agreement”) dated as of October 1, 2015 among BLACKSTONE HOLDINGS FINANCE CO. L.L.C. (the “Borrower”), BLACKSTONE HOLDINGS I L.P., BLACKSTONE HOLDINGS II L.P., BLACKSTONE HOLDINGS III L.P., and BLACKSTONE HOLDINGS IV L.P. (collectively, the “Existing Guarantors”), BLACKSTONE HOLDINGS AI L.P., a Delaware limited partnership (the “New Guarantor”) and CITIBANK, N.A., as administrative agent (the “Administrative Agent”).

A. Reference is made to the Credit Agreement dated as of March 23, 2010, as amended and restated as of May 29, 2014 (as further amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), among Blackstone Holdings Finance Co. L.L.C., as Borrower, Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., and Blackstone Holdings IV L.P., as Guarantors, the Lenders from time to time party thereto and the Administrative Agent.

B. Capitalized terms used but not otherwise defined herein have the meanings assigned to them in the Credit Agreement.

C. Under the Credit Agreement, the Lenders have agreed, upon the terms and subject to the conditions therein set forth, to make Loans to the Borrower, and the Borrower, the Existing Guarantors and the New Guarantor desire that the New Guarantor become a Guarantor under the Credit Agreement pursuant to the provisions of Section 2.20 of the Credit Agreement.

Accordingly, the parties hereto agree as follows:

SECTION 1. Each of the Borrower, the Existing Guarantors and the New Guarantor represents and warrants to the Lenders and the Administrative Agent that the New Guarantor is an Eligible Additional Guarantor. Upon the effectiveness hereof, the New Guarantor, by joining the Credit Agreement as evidenced by its signature below, represents and warrants that all the representations and warranties in the Credit Agreement relating to the New Guarantor (after giving effect to this Guarantor Joinder Agreement) are true and correct on and as of the date hereof, except to the extent such representations and warranties expressly relate to an earlier date, in which case they shall be true and correct as of such earlier date.

SECTION 2. In accordance with Section 2.20 of the Credit Agreement, the New Guarantor, upon the effectiveness hereof, becomes a Guarantor under the Credit Agreement with the same force and effect as if originally named therein as a Guarantor, and the New Guarantor hereby agrees to all the terms and provisions of the Credit Agreement applicable to it as a Guarantor thereunder. Each reference to a “Guarantor” in the Credit Agreement shall, upon effectiveness hereof, be deemed to include the New Guarantor. The New Guarantor agrees that it will be jointly and severally liable for the Obligations of the Borrower under the Credit Agreement together with the Existing Guarantors.

SECTION 3. The New Guarantor represents and warrants to the Administrative Agent and the Lenders that this Guarantor Joinder Agreement has been duly authorized, executed

and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

SECTION 4. This Guarantor Joinder Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Guarantor Joinder Agreement shall become effective (i) when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of the Borrower, the New Guarantor, each of the Existing Guarantors and the Administrative Agent and (ii) the other conditions with respect to the New Guarantor and this Guarantor Joinder Agreement set forth in Section 4.03 of the Credit Agreement have been satisfied. Delivery of an executed signature page to this Guarantor Joinder Agreement by facsimile transmission shall be effective as delivery of a manually signed counterpart hereof.

SECTION 5. Except as expressly supplemented hereby, the Credit Agreement shall remain in full force and effect. This Guarantor Joinder Agreement shall constitute a Loan Document for all purposes of the Credit Agreement.

SECTION 6. THIS GUARANTOR JOINDER AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 7. In the event any one or more of the provisions contained in this Guarantor Joinder Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 8. All communications and notices hereunder shall be in writing and given as provided in the Credit Agreement. All communications and notices hereunder to the New Guarantor shall be given to it at the address set forth under its signature.

SECTION 9. The Borrower, the New Guarantor and the Existing Guarantors agree, jointly and severally, to reimburse the Administrative Agent for its reasonable out-of-pocket expenses in connection with this Guarantor Joinder Agreement, including the reasonable fees, other charges and disbursements of counsel for the Administrative Agent.

IN WITNESS WHEREOF, each of the parties hereto has caused this Guarantor Joinder Agreement to be duly executed by its authorized officer as of the day and year first above written.

BLACKSTONE HOLDINGS FINANCE CO. L.L.C.

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Guarantor Joinder Agreement]

BLACKSTONE HOLDINGS I L.P.
By: Blackstone Holdings I/II GP Inc., its General Partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Guarantor Joinder Agreement]

BLACKSTONE HOLDINGS II L.P.
By: Blackstone Holdings I/II GP Inc., its General Partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Guarantor Joinder Agreement]

BLACKSTONE HOLDINGS III L.P.
By: Blackstone Holdings III GP L.P., its General Partner
By: Blackstone Holdings III GP Management L.L.C., its General Partner
By: The Blackstone Group L.P., its sole member,
By: Blackstone Group Management L.L.C., its General Partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Guarantor Joinder Agreement]

BLACKSTONE HOLDINGS IV L.P.
By: Blackstone Holdings IV GP L.P., its General Partner
By: Blackstone Holdings IV GP Management (Delaware) L.P.,
its General Partner
By: Blackstone Holdings IV GP Management L.L.C., its General
Partner
By: The Blackstone Group L.P., its sole member,
By: Blackstone Group Management L.L.C., its General Partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Guarantor Joinder Agreement]

BLACKSTONE HOLDINGS AI L.P.
By: Blackstone Holdings I/II GP Inc., its General Partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

Address and telecopy number for notices:

c/o The Blackstone Group L.P.

345 Park Avenue

New York, New York 10154

Fax +1 212-583-5749

[Signature Page to Guarantor Joinder Agreement]

CITIBANK, N.A., as Administrative Agent,

By: /s/ Maureen P. Maroney

Name: Maureen P. Maroney

Title: Authorized Signatory

[Signature Page to Guarantor Joinder Agreement]

EIGHTH SUPPLEMENTAL INDENTURE

Dated as of October 1, 2015

Supplementing and Amending that Certain

INDENTURE

Dated as of August 20, 2009

Among

BLACKSTONE HOLDINGS FINANCE CO. L.L.C.,

THE GUARANTOR PARTIES HERETO

and

THE BANK OF NEW YORK MELLON,

as Trustee

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This Eighth Supplemental Indenture, dated as of October 1, 2015 (the “Eighth Supplemental Indenture”), among Blackstone Holdings Finance Co. L.L.C., a limited liability company duly organized and existing under the laws of the State of Delaware, having its principal office at 345 Park Avenue, New York, New York 10154 (the “Company”), the Existing Guarantors (as hereinafter defined), Blackstone Holdings AI L.P., a Delaware limited partnership (the “New Guarantor”), and The Bank of New York Mellon, a New York banking corporation, as Trustee under the Base Indenture (as hereinafter defined) and hereunder (the “Trustee”), supplements that certain Indenture, dated as of August 20, 2009, among the Company, the Existing Guarantors and the Trustee (the “Base Indenture” and subject to Section 2.3 hereof, together with this Eighth Supplemental Indenture, the “Indenture”).

RECITALS OF THE COMPANY

The Company and the Existing Guarantors have heretofore executed and delivered to the Trustee the Base Indenture providing for the issuance from time to time of one or more series of the Company’s senior unsecured debt securities (herein and in the Base Indenture called the “Securities”), the forms and terms of which are to be determined as set forth in Sections 201 and 301 of the Base Indenture, and the Guarantees thereof by the Existing Guarantors;

The New Guarantor is a “New Holdings Partnership Entity,” as defined in the Base Indenture;

Section 1402 of the Base Indenture provides that the Company and each Existing Guarantor shall cause each New Holding Partnership Entity (other than a Non Guarantor Entity) to become a Guarantor and provide a Guarantee in respect of the Securities;

Sections 901(4) and 901(14) of the Base Indenture provide, among other things, that the Company, the Guarantors and the Trustee may enter into indentures supplemental to the Base Indenture without the consent of the Holders for certain purposes, including, among others, to add a new Guarantor or to change any other provision contained in the Securities of any series or under the Base Indenture that does not adversely affect the interests of the Holders of Securities of such series in any material respect;

The New Guarantor desires to become a Guarantor and to provide Guarantees with respect to the obligations of the Company and the Existing Guarantors under the Indenture and the Securities issued thereunder;

The Company and each of the Guarantors have duly authorized the execution and delivery of this Eighth Supplemental Indenture as provided for in the Base Indenture; and

All things necessary have been done to make this Eighth Supplemental Indenture a valid and legally binding agreement of the Company and the Guarantors, in accordance with its terms.

ARTICLE I

Additional Guarantor

SECTION 1.1. Additional Guarantor

The New Guarantor, by its execution of this Eighth Supplemental Indenture, agrees that it is a Guarantor under the Indenture and is bound by the terms of the Indenture applicable to Guarantors, including, but not limited to, Article XIV of the Base Indenture.

ARTICLE II

Miscellaneous

SECTION 2.1. Definitions.

For all purposes of this Eighth Supplemental Indenture (except as herein otherwise expressly provided or unless the context of this Eighth Supplemental Indenture otherwise requires):

(1) any reference to an “Article” or a “Section” refers to an Article or a Section, as the case may be, of this Eighth Supplemental Indenture;

(2) the words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Eighth Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision;

(3) “including” means including without limitation;

(4) unless otherwise provided, references to agreements and other instruments shall be deemed to include all amendments and other modifications to such agreements and instruments, but only to the extent such amendments and other modifications are not prohibited by the terms of this Eighth Supplemental Indenture.

The terms defined in this Section 2.1 (except as herein otherwise expressly provided or unless the context of this Eighth Supplemental Indenture otherwise requires) for all purposes of this Eighth Supplemental Indenture and of any indenture supplemental hereto have the respective meanings specified in this Section 2.1. All other terms used in this Eighth Supplemental Indenture that are defined in the Base Indenture, either directly or by reference therein (except as herein otherwise expressly provided or unless the context of this Eighth Supplemental Indenture otherwise requires), have the respective meanings assigned to such terms in the Base Indenture, as in force at the date of this Eighth Supplemental Indenture as originally executed; *provided* that any term that is defined in both the Base Indenture and this Eighth Supplemental Indenture shall have the meaning assigned to such term in this Eighth Supplemental Indenture.

“Base Indenture” has the meaning specified in the preamble hereto.

“Eighth Supplemental Indenture” has the meaning specified in the preamble hereto.

“Existing Guarantors” means the entities party to the Base Indenture identified as Guarantors therein.

“Indenture” has the meaning specified in the preamble hereto.

“New Guarantor” has the meaning specified in the preamble hereto.

“Securities” has the meaning specified in the preamble hereto.

“Trustee” has the meaning specified in the preamble hereto.

SECTION 2.2. Execution as Supplemental Indenture.

This Eighth Supplemental Indenture is executed and shall be construed as an indenture supplemental to the Base Indenture and, as provided in the Base Indenture, this Eighth Supplemental Indenture forms a part thereof.

SECTION 2.3. Relationship with Base Indenture.

The terms and provisions contained in the Base Indenture will constitute, and are hereby expressly made, a part of this Eighth Supplemental Indenture. However, to the extent any provision of the Base Indenture conflicts with the express provisions of this Eighth Supplemental Indenture, the provisions of this Eighth Supplemental Indenture will govern and be controlling.

SECTION 2.4. Not Responsible for Recitals.

The recitals contained herein shall be taken as the statements of the Company and the Guarantors, as the case may be, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Eighth Supplemental Indenture or of the Securities or the Guarantees.

SECTION 2.5. Separability Clause.

In case any provision in this Eighth Supplemental Indenture shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 2.6. Successors and Assigns.

All covenants and agreements in this Eighth Supplemental Indenture by the Company and the Guarantors shall bind their respective successors and assigns, whether so expressed or not. All agreements of the Trustee in this Eighth Supplemental Indenture shall bind its successors and assigns, whether so expressed or not.

SECTION 2.7. Execution and Counterparts.

This Eighth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

SECTION 2.8. Governing Law.

This Eighth Supplemental Indenture shall be governed by, and construed in accordance with, the law of the State of New York.

[*Signature page to follow.*]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed all as of the day and year first above written.

The Company

Blackstone Holdings Finance Co. L.L.C.

By: Blackstone Holdings I L.P., its sole member

By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

The Existing Guarantors

Blackstone Holdings I L.P.

By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Blackstone Holdings II L.P.

By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Blackstone Holdings III L.P.

By: Blackstone Holdings III GP L.P., its general partner

By: Blackstone Holdings III GP Management L.L.C., its general partner

By: The Blackstone Group L.P., its sole member

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

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

Blackstone Holdings IV L.P.

By: Blackstone Holdings IV GP L.P., its general partner

By: Blackstone Holdings IV GP Management (Delaware) L.P., its general partner

By: Blackstone Holdings IV GP Management L.L.C., its general partner

By: The Blackstone Group L.P., its sole member

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

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[*Signature Page to Eighth Supplemental Indenture*]

The Blackstone Group L.P.

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

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

The New Guarantor

Blackstone Holdings AI L.P.

By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[*Signature Page to Eighth Supplemental Indenture*]

The Bank of New York Mellon,
as Trustee

By: /s/ Laurence J. O'Brien

Name: Laurence J. O'Brien

Title: Vice President

[*Signature Page to Eighth Supplemental Indenture*]

AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT

OF

BLACKSTONE HOLDINGS AI L.P.

Dated as of October 1, 2015

THE PARTNERSHIP UNITS OF BLACKSTONE HOLDINGS AI 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 AI L.P.

This AMENDED AND RESTATED LIMITED PARTNERSHIP AGREEMENT (this “Agreement”) of Blackstone Holdings AI L.P. (the “Partnership”) is made as of the 1st day of October, 2015, 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 September 17, 2015 (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 nondeductibility 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 I Limited Partnership Agreement” means the Amended and Restated Limited Partnership Agreement of Blackstone Holdings I L.P., dated as of June 18, 2007, as amended from time to time.

“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 Québec société en commandite, 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, (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 June 18, 2007 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 that is an “Initial Limited Partner” as defined in the Blackstone Holdings I Limited Partnership Agreement.

“Initial Units” means, with respect to any Initial Limited Partner, the aggregate number of Class A Units acquired by such Initial Limited Partner on or about the date of this Agreement as a distribution in respect of “Initial Units” as defined in the Blackstone Holdings I Limited Partnership Agreement.

“Initial Unvested Units” means, with respect to any Initial Limited Partner, the aggregate number of Unvested Units acquired by such Initial Limited Partner on or about the date of this Agreement as a distribution in respect of “Initial Unvested Units” as defined in the Blackstone Holdings I Limited Partnership Agreement.

“Initial Vested Units” means, with respect to any Initial Limited Partner, the aggregate number of Vested Units acquired by such Initial Limited Partner on or about the date of this Agreement as a distribution in respect of “Initial Vested Units” as defined in the Blackstone Holdings I Limited Partnership 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 midpoint 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 June 18, 2007 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, as amended from time to time.

“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 1.7042-(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 September 17, 2015 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 AI 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.

(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 L.P. 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.

(h) Section 751 Allocations. Any gain or loss from items described in Section 751(c) or (d) that were previously held by Blackstone Holdings I L.P. will be allocated in a manner that is consistent with Blackstone Holdings I L.P.'s partners' shares of such gain or loss immediately before the distribution of the Partnership by Blackstone Holdings I L.P.

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 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 June 18, 2007 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, each Limited Partner may exchange in an Exchange Transaction up to 100% of the Initial Vested Units owned by such Limited Partner at any time and from time to time; provided that Unvested Units may not be 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 be Transferred at any time.

(e) [Reserved]

(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 June 18, 2007 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 June 18, 2007 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, if such person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Partnership and, with respect to any alleged conduct resulting in a criminal proceeding against the person, such person had no reasonable cause to believe that such person's conduct was unlawful. 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 (i) 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 and (ii) to the extent determined by the General Partner in its sole discretion to be necessary or advisable, receipt by the Partnership of security or other assurances satisfactory to the General Partner in its sole discretion that such person will be able to repay such amount if it ultimately shall 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 AI L.P.
c/o Blackstone Holdings I/II GP Inc.
345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5749
Electronic Mail: john.finley@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) 583-5749
Electronic Mail: john.finley@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) 583-5749
Electronic Mail: john.finley@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 (1) (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.

GENERAL PARTNER

BLACKSTONE HOLDINGS I/II GP INC.

By /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer and Secretary

[*Signature Page to Amended and Restated Limited Partnership Agreement of Blackstone Holdings AI L.P.*]

LIMITED PARTNERS

Each of the Limited Partners set forth on Schedule I attached hereto.

By: Blackstone Holdings I/II GP Inc., as attorney-in-fact

By /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer and Secretary

[*Signature Page to Amended and Restated Limited Partnership Agreement of Blackstone Holdings AI L.P.*]

THIRD AMENDED AND RESTATED EXCHANGE AGREEMENT

THIRD AMENDED AND RESTATED EXCHANGE AGREEMENT (the “Agreement”), dated as of October 1, 2015 among The Blackstone Group L.P., Blackstone Holdings AI L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV 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 AI” means Blackstone Holdings AI L.P., a limited partnership formed under the laws of the State of Delaware, and any successor thereto.

“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 AI, Blackstone Holdings I, Blackstone Holdings II, and any successor general partner thereof.

“Blackstone Holdings III” means Blackstone Holdings III L.P., a société en commandite formed under the laws of the Province of Québec, and any successor thereto.

“Blackstone Holdings III General Partner” means Blackstone Holdings III GP L.P., a limited partnership 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 société en commandite formed under the laws of the Province of Québec and the general partner of Blackstone Holdings IV, and any successor general partner thereof.

“Blackstone Holdings General Partners” means, collectively, Blackstone Holdings I/II General Partner, Blackstone Holdings III General Partner and Blackstone Holdings IV 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 AI, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings I, the Amended and Restated Limited Partnership Agreement of Blackstone Holdings II, the Second Amended and Restated Limited Partnership Agreement of Blackstone Holdings III and the Second Amended and Restated Limited Partnership Agreement of Blackstone Holdings IV, 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 AI, Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III and Blackstone Holdings IV, issued pursuant to their respective Blackstone Holdings Partnership Agreements.

“Blackstone Holdings Partnerships” means, collectively, Blackstone Holdings AI, Blackstone Holdings I, Blackstone Holdings II, Blackstone Holdings III and Blackstone Holdings IV.

“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.

“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 dated as of June 27, 2007, as amended by Amendment No. 1, dated as of November 3, 2009, and as such agreement of limited partnership may be further 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-tenancy, 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, (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, or (3) such other date as the Issuer shall determine in its sole discretion, *provided* with respect to clause (3) that the Issuer shall provide the Blackstone Holdings Limited Partners with reasonable notice of such date.

“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 other specified 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) 583-5660
Electronic Mail: john.finley@blackstone.com

(b) If to Blackstone Holdings AI L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. or Blackstone Holdings IV L.P., to:

345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5660
Electronic Mail: john.finley@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) 583-5660
Electronic Mail: john.finley@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 as a taxable sale of Blackstone

Holdings Partnership Units by a Blackstone Holdings Limited Partner to Blackstone Holdings I/II General Partner, Blackstone Holdings III General Partner or Blackstone Holdings IV General Partner, as the case may be, 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.

[Remainder of Page Intentionally Left Blank]

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/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

BLACKSTONE HOLDINGS AI L.P.
By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

BLACKSTONE HOLDINGS I L.P.
By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

BLACKSTONE HOLDINGS II L.P.
By: Blackstone Holdings I/II GP Inc., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

BLACKSTONE HOLDINGS III L.P.
By: Blackstone Holdings III GP L.P., its general partner
By: Blackstone Holdings III GP Management L.L.C., its general partner
By: The Blackstone Group L.P., its sole member
By: Blackstone Group Management L.L.C., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

BLACKSTONE HOLDINGS IV L.P.
By: Blackstone Holdings IV GP L.P., its general partner
By: Blackstone Holdings IV GP Management (Delaware) L.P., its general partner
By: Blackstone Holdings IV GP Management L.L.C., its general partner
By: The Blackstone Group L.P., its sole member
By: Blackstone Management L.L.C., its general partner

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

[*Signature Page to Third Amended and Restated Exchange Agreement*]

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) 583-5660
Electronic Mail: john.finley@blackstone.com

Reference is hereby made to the Third Amended and Restated Exchange Agreement, dated as of October 1, 2015 (the “Exchange Agreement”), among The Blackstone Group L.P., Blackstone Holdings AI L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV 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 AI L.P.
Blackstone Holdings I L.P.
Blackstone Holdings II L.P.
Blackstone Holdings III L.P.
Blackstone Holdings IV L.P.

345 Park Avenue
New York, New York, 10154
Attention: Chief Legal Officer
Fax: (212) 583-5660
Electronic Mail: john.finley@blackstone.com

Reference is hereby made to the Third Amended and Restated Exchange Agreement, dated as of October 1, 2015 (the “Exchange Agreement”), among The Blackstone Group L.P., Blackstone Holdings AI L.P., Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P., Blackstone Holdings IV 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: _____

HIGHLY CONFIDENTIAL & TRADE SECRET

GSO CAPITAL OPPORTUNITIES ASSOCIATES II LP

AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT

DATED DECEMBER 31, 2015

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GSO CAPITAL OPPORTUNITIES ASSOCIATES II LP

This AMENDED AND RESTATED EXEMPTED LIMITED PARTNERSHIP AGREEMENT, dated December [], 2015 of GSO Capital Opportunities Associates II LP, a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between GSO Capital Opportunities Associates II (Delaware) LLC, a Delaware limited liability company (the “*Delaware GP*”), GSO Capital Opportunities Associates II (Cayman) Ltd. (the “*Cayman GP*”), and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, GSO Capital Opportunities Associates II LLC, was formed as a Delaware limited liability company (the “*Company*”) on October 21, 2010;

WHEREAS, Marisa Beeney, as initial member entered into a Limited Liability Company Agreement of the Company dated as of October 21, 2010 (the “*Original Agreement*”);

WHEREAS, the Original Agreement was amended and restated in its entirety by the Amended and Restated Limited Liability Company Agreement of the Company dated as of March 21, 2011 (the “*Existing Agreement*”);

WHEREAS, the Company was converted to a Delaware limited partnership pursuant to a certificate of conversion filed with the secretary of state of the State of Delaware on December 23, 2015; and

WHEREAS, the parties hereto desire amend and restate the Existing Agreement to transfer the registration of the Partnership to the Cayman Islands and further to make the modifications hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“Act” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time.

“Admission Letter” has the meaning set forth in Section 10.4.

“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 Amended and Restated Exempted Limited Partnership Agreement, as it may be further amended, supplemented or otherwise modified from time to time.

“Alternative Investment Vehicle” means any investment vehicle or structure formed pursuant to Section 6.12 of the GCOF II Partnership Agreement or any other “Alternative Investment Vehicle” (as defined in any other GCOF II Agreements).

“Applicable Collateral Percentage” has the meaning with respect to any Firm Collateral or Special Firm Collateral as set forth in the books and records of the Partnership 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.

“BCE Agreement” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFMEZP,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“BCE Investment” means any direct or indirect investment by any Blackstone Collateral Entity.

“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 VI” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership, and (ii) any alternative investment vehicle relating thereto and any parallel fund.

“BFCOMP” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 Delaware GP (which includes serving as general partner of such funds).

“BFIP” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD 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 VI or any other fund with substantially similar investment objectives to BCP VI and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

“BFMEZP” means Blackstone Family Mezzanine Partnership-SMD L.P., Blackstone Family Mezzanine Partnership II-SMD L.P., Blackstone Mezzanine Holdings L.P., Blackstone Mezzanine Holdings II L.P., any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by BMEZP I, BMEZP II, any GSO Fund or any other funds with substantially similar investment objectives to BMEZP I, BMEZP II or any GSO Fund and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

“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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe 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, BSSF II or BSSF Europe and any other funds with substantially similar investment objectives to BREP VI, BSSF II or BSSF Europe and that are sponsored or managed by an Affiliate of the Company (which includes serving as general partner of such funds).

“Blackstone Collateral Entity” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFMEZP,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“Blackstone Entity” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone – sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“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.

“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 respective partnership agreements for the partnerships referred to in clause (i) above), 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.

“BSSF Europe” means (i) Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe.1 L.P. and Blackstone Real Estate Special Situations Europe.1 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 alternative vehicle, parallel fund or other investment vehicle established pursuant to Article 2 of the partnership agreements for 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 Carried Interest Distributions (as such term is used in such partnership agreements).

“BSSF II” means (i) Blackstone Real Estate Special Situations Fund II L.P., a Delaware limited partnership, (ii) Blackstone Real Estate Special Situations Fund II.1 L.P., a Delaware limited partnership, and (iii) Blackstone Real Estate Special Situations Fund II.2 L.P., a Delaware limited partnership, and any alternative vehicles thereof or parallel funds formed in connection therewith.

“Capital Commitment Capital Account” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Company with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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).

“Capital Commitment Deficiency Contribution” has the meaning specified in Section 7.4(g).

“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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment GCOF II Interest, 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 Delaware GP may allocate to all or any portion of such Capital Commitment Investment as it may determine in good faith is appropriate.

“Capital Commitment GCOF II Interest” means the Interest (as defined in the GCOF II Partnership Agreement), if any, of the Company as a capital partner in GCOF II.

“Capital Commitment GCOF II Investment” means the Company’s interest in a specific investment of GCOF II through the Capital Commitment GCOF II Interest.

“Capital Commitment Giveback Amount” has the meaning set forth in Section 7.4(g).

“Capital Commitment Interest” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“Capital Commitment Investment” means any investment of the Partnership in respect of the Capital Commitment GCOF II Interest, including any Capital Commitment GCOF II Investment, but excluding any GP-Related Investment.

“Capital Commitment Liquidating Share” with respect to each Capital Commitment Investment means, in the case of winding up and dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) as of the close of business on the effective date of the Winding Up Event.

“Capital Commitment Partner Carried Interest” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Company in respect of or relating to “carried interest”. “Capital Commitment Partner Carried Interest” includes any amount initially received by an Affiliate of the Company from any fund (including GCOF II), any similar funds formed after the date hereof, and any 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 Partner Interest” means a Partner’s interest in the Company which relates to the Capital Commitment GCOF II Interest, if any.

“Capital Commitment Net Income (Loss)” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“Capital Commitment Profit Sharing Percentage” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“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 Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“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” means (i) “Carried Interest Distributions,” as defined in the GCOF II Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any GCOF II Agreement. In the case of each of (i) and (ii) above, except as determined by the Delaware GP, 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 Delaware GP may allocate among all or any portion of the GP-Related Investments as it determines in good faith is appropriate).

“Carried Interest Give Back Percentage” means, for any Partner or Withdrawn Limited Partner, subject to Section 5.8(e), the percentage determined by dividing (A) the aggregate amount of distributions received by such Partner or Withdrawn Limited Partner from the Partnership, any Other Fund GPs or their Affiliates in respect of Carried Interest by (B) the aggregate amount of distributions made to all Partners, Withdrawn Limited Partners or any other person by the Partnership, any Other Fund GP or any of their Affiliates (in any capacity) 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, any Other

Fund GPs or their Affiliates on behalf of a Partner or Withdrawn Limited Partner (but not the Trust Income thereon) shall be deemed to have been initially distributed or paid to the Partners and Withdrawn Limited Partners as members, partners or other equity owners of the Partnership, any Other Fund GPs or their Affiliates.

“Carried Interest Sharing Percentage” means, with respect to each GP-Related Investment, the percentage interest of a Partner in Carried Interest from such GP-Related Investment set forth in the books and records of the Partnership.

“Cause” with respect to any Partner has the meaning ascribed to such term in the letter agreement between such Partner and Blackstone setting forth the terms of such Partner becoming a Senior Managing Director or otherwise an employee (as applicable) of Blackstone (such agreement as from time to time amended and as in effect as of the applicable date, the “Employment Agreement”); provided, that with respect to any Partner who is not a party to an Employment Agreement, “Cause” means the occurrence or existence of any of the following with respect to such Partner, as determined fairly, reasonably, on an informed basis and in good faith by the Delaware GP: (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 Delaware GP, (y) such Partner’s deliberate failure to perform his or her duties to the Partnership or any of its Affiliates, or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates in a material way as determined by the Delaware GP; provided, that in the case of any of the foregoing clauses (w), (x), (y) and (z), the Delaware GP has given such Partner written notice (a “Notice of Breach”) within fifteen days after the Delaware GP 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 Delaware GP (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 any of its Affiliates; 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates.

“Cayman GP” means GSO Capital Opportunities Associates II (Cayman) Ltd., a Cayman Islands exempted limited company and a general partner of the Partnership.

“Clawback Adjustment Amount” has the meaning set forth in Section 5.8(e).

“Clawback Amount” means the “Clawback Amount” (as defined in Section 5.05(A) of the GCOF II Partnership Agreement) and any other clawback amount payable to GCOF II (or to the limited partners of GCOF II) pursuant to any GCOF II Agreement, as applicable.

“Clawback Provisions” means Section 5.05 and Appendix B of the GCOF II Partnership Agreement and any other similar provisions in any other GCOF II Agreement existing heretofore or hereafter entered into, which Appendix B is incorporated herein by reference and made a part hereof.

“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 means, where appropriate, the corresponding provision in any successor statute.

“Commitment Agreements” means the agreements between the Partnership and the Partners, pursuant to which each Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Sections 4.1 and 7.1. The Commitment Agreements are hereby incorporated by reference as between the Partnership and the relevant Partner.

“Partnership” 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.

“Delaware GP” means GSO Capital Opportunities Associates II (Delaware) LLC, a Delaware limited liability company and a general partner of the Partnership.

“Deceased Partner” means any Partner or Withdrawn Limited 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 Interest Rate” means 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.

“Disabling Event” means (a) the Withdrawal of the last remaining General Partner, other than in accordance with Section 6.4(a), (b) 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 a proceeding described in clause (iv), or (vi) seeks, consents to, or acquiesces in the appointment of a trustee, receiver or liquidator of a General Partner or of all or substantially all of its properties, (c) the incapacity of a General Partner or (d) any other event that causes both General Partners to cease to be a general partner of the Partnership as provided in the Act.

“Estate Planning Vehicle” has the meaning set forth in Section 6.3.

“Excess Holdback” has the meaning set forth in Section 4.1(d).

“Excess Holdback Percentage” has the meaning set forth in Section 4.1(d).

“Excess Tax-Related Amount” has the meaning set forth in Section 5.8(e).

“Existing Limited Partner” means any Partner who is neither a Retaining Withdrawn Limited Partner nor a Deceased Partner.

“FATCA” means one or more of the following, as the context requires:

(1) Sections 1471 to 1474 of the Code and any associated legislation, regulations or guidance, commonly referred to as the U.S. Foreign Account Tax Compliance Act, the Common Reporting Standard (“CRS”) issued by the Organisation for Economic Cooperation and Development, or similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement equivalent tax reporting and/or withholding tax regimes;

(2) any intergovernmental agreement, treaty or any other arrangement between the Cayman Islands and any of the United States, the United Kingdom or any other jurisdiction (including between any government bodies in each relevant jurisdiction), entered into to facilitate, implement, comply with or supplement the legislation, regulations or guidance described in paragraph (1); and

(3) any legislation, regulations or guidance implemented in the Cayman Islands to give effect to the matters outlined in the preceding paragraphs.

“Final Event” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or withdrawal from the Partnership of any person who is a Partner.

“Firm Advances” has the meaning set forth in Section 7.1.

“Firm Collateral” means a Partner’s or Withdrawn Limited 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 Limited 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 Limited Partner as more fully described in the Partnership’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” means a calendar year, or any other period chosen by the Delaware GP.

“Fund GP” means the Partnership (only with respect to the GP-Related GCOF II Interest) and the Other Fund GPs.

“GAAP” has the meaning specified in Section 5.1(a).

“GCOF II” means (i) GSO Capital Opportunities Fund II L.P. and GSO Capital Opportunities Cayman Overseas Fund II L.P., each a Cayman Islands exempted limited partnership, and (ii) any other private investment partnerships for which the Partnership serves as general partner and, where the context requires, any parallel funds thereof or Alternative Investment Vehicles related thereto.

“GCOF II Agreements” means (i) the GCOF II Partnership Agreement, and (ii) any other GCOF II partnership agreements, as any of them may be amended, supplemented, restated or otherwise modified from time to time.

“GCOF II Partnership Agreement” means the Second Amended and Restated Limited Partnership Agreement, dated as of the date set forth therein, of GSO Capital Opportunities Fund II L.P., as it may be amended, supplemented, restated or otherwise modified from time to time.

“General Partner” or “General Partners” means the Cayman GP and/or the Delaware GP 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 Act), subject to the provisions of Section 3.4.

“Giveback Amount” means the amount of the Partnership’s obligations under the Giveback Provisions.

“Giveback Provisions” means Sections 6.05 and 6.06 of the GCOF II Partnership Agreement and any other similar provisions in any other GCOF II Agreement existing heretofore or hereafter entered into.

“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 5.8(a).

“GP-Related Class B Interest” has the meaning set forth in Section 5.8(a).

“GP-Related Commitment” with respect to any Partner means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“GP-Related Defaulting Party” has the meaning set forth in Section 5.8(d).

“GP-Related Deficiency Contribution” has the meaning set forth in Section 5.8(d).

“GP-Related Disposable Investment” has the meaning set forth in Section 5.8(a).

“GP-Related GCOF II Interest” means the interest held by the Partnership in GCOF II, in the Partnership’s capacity as general partner of GCOF II, excluding any Capital Commitment GCOF II Interest that may be held by the Partnership.

“GP-Related GCOF II Investment” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the GCOF II Partnership Agreement), in the Partnership’s capacity as the general partner\of GCOF II, excluding any Capital Commitment Investment.

“GP-Related Giveback Amount” has the meaning set forth in Section 5.8(d).

“GP-Related Investment” means any investment (direct or indirect) of the Partnership in respect of the GP-Related GCOF II Interest (including, without limitation, any GP-Related GCOF II Investment but excluding any Capital Commitment Investment).

“GP-Related Partner Interest” of a Partner means all interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s interest in the Partnership with respect to the GP-Related GCOF II 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 Partner; 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)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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).

“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 GCOF II Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related GCOF II Investment if GCOF 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 GCOF II to the Partnership (indirectly through the general partner of GCOF II) pursuant to the GCOF II Partnership Agreement with respect to such GP-Related GCOF II 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 Partnership 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)).

“GSO Fund” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO

Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Opportunities Fund LP, Blackstone / GSO Capital Opportunities Overseas Fund L.P., Blackstone / GSO Capital Opportunities Overseas Master Fund L.P., GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II L.P. or GSO Capital Opportunities Cayman Overseas Fund II L.P., or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“Holdback” has the meaning set forth in Section 4.1(d).

“Holdback Percentage” has the meaning set forth in Section 4.1(d).

“Holdback Vote” has the meaning set forth in Section 4.1(d).

“Holdings” has the meaning set forth in the preamble hereto.

“Incompetence” means, with respect to any Partner, the determination by the Delaware GP in its sole discretion, after consultation with a qualified medical doctor, that such Partner is incompetent to manage his person or his property.

“Initial Holdback Percentages” has the meaning set forth in Section 4.1(d).

“Interest” means a limited liability company interest (as defined in § 18-101(8) of the Act) in the Partnership, including those that are held by a Retaining Withdrawn Limited Partner and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“Investment” means any investment (direct or indirect) of the Partnership designated by the Delaware GP 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 (a) GP-Related Investments, and (b) Capital Commitment Investments.

“Investor Note” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the Delaware GP and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities 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 Limited Partner” means any Special Limited Partner so designated at the time of its admission by the Delaware GP as a Partner of the Partnership.

“Issuer” means the issuer of any Security comprising part of an Investment.

“L/C” has the meaning set forth in Section 4.1(d).

“L/C Partner” has the meaning set forth in Section 4.1(d).

“Lender or Guarantor” means Blackstone Holdings I L.P., in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“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 and any Nonvoting Special 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 Partners but excluding Nonvoting Special 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 Delaware GP 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 Partners but excluding Nonvoting Special Limited Partners) on the vote date.

“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(d).

“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 Partnership with respect to such GP-Related 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 Delaware GP 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 Partner in Non-Carried Interest from such GP-Related Investment set forth in the books and records of the Partnership.

“Non-Contingent” means generally not subject to repurchase rights or other requirements.

“Nonvoting Special Limited Partner” has the meaning set forth in Section 6.1(a).

“Other Blackstone Collateral Entity” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFMEZP” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“Other Fund GPs” means any entity (other than the Partnership) through which any Partner or Withdrawn Limited Partner 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, neither Holdings nor any estate planning vehicle established for the benefit of family members of any Partner shall be considered a “Fund GP” for purposes hereof.

“Other Sources” means (i) distributions or payments of Capital Commitment Partner Carried Interest (which shall include amounts of Capital Commitment Partner Carried Interest which are not distributed or paid to a Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto), and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“Partner” means any person who is a partner of the Partnership, including the Regular Limited Partners, the Delaware GP, the Cayman GP and the Special Limited Partners. Except as otherwise specifically provided herein, no group of Partners, including the Special Limited Partners and any group of Partners in the same Partner Category, shall have any right to vote as a class on any matter relating to the Partnership, including, but not limited to, any merger, reorganization, dissolution or liquidation.

“Partner Category” means the Delaware GP, Cayman GP, Existing Limited Partners, Retaining Withdrawn Limited Partners or Deceased Limited Partners, each referred to as a group for purposes hereof.

“Pledgable Blackstone Interest” has the meaning set forth in Section 4.1(d).

“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 Delaware GP as a “Qualifying Fund”.

“Regular Limited Partner” means any Partner, excluding the Delaware GP and any Special Limited Partners.

“Repurchase Period” has the meaning set forth in Section 5.8(b).

“Required Rating” has the meaning set forth in Section 4.1(d).

“Retained Portion” has the meaning set forth in Section 7.6.

“Retaining Withdrawn Limited Partner” means a Withdrawn Limited Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Limited Partner shall be considered a Nonvoting Special Limited 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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Limited Partner’s Holdback (excluding any Excess Holdback) as more fully described in the Partnership’s books and records.

“Special Firm Collateral Realization” has the meaning set forth in Section 4.1(d).

“Special Limited Partner” means any person shown on the books and records of the Partnership as a Special Limited Partner of the Partnership, including any Nonvoting Special Limited Partner and any Investor Special Limited Partner.

“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).

“Successor in Interest” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“Total Disability” means the inability of a Partner substantially to perform the services required of a Regular Limited Partner 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 the date set forth therein, 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 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).

“Winding Up Event” has the meaning set forth in Section 9.1(a).

“Withdraw” or “Withdrawal” with respect to a Partner means a Partner ceasing to be a partner of the Partnership (except as a Retaining Withdrawn Limited 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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“Withdrawal Date” means the date of Withdrawal from the Partnership of a Withdrawn Limited Partner.

“Withdrawn Limited Partner” means a 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.

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 Partners on the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and

records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment, if any, of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the Delaware GP from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, and the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement. At the time of admission of each additional Partner, the Delaware GP shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

2.2. Formation; Name ; Foreign Jurisdictions. The Partnership is hereby continued as an exempted limited partnership in the Cayman Islands pursuant to the Act and shall conduct its activities on and after the date hereof under the name of GSO Capital Opportunities Associates LP. Any certificate or statement of the Partnership required under the Act may be amended and/or restated from time to time by the Delaware GP. The Delaware GP is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

2.3. Term.

The term of the Partnership shall continue until December 31, 2061, unless earlier wound up and dissolved in accordance with this Agreement.

2.4. Purposes; Powers.

(a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates,

(i) to serve as the general partner of GCOF II and perform the functions of a general partner of GCOF II specified in the GCOF II Agreements,

(ii) to serve as a capital partner and/or limited partner of GCOF II and perform the functions of a capital partner and/or limited partner of GCOF II specified in the GCOF II Agreements,

(iii) 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 partnerships,

(iv) 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,

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through GCOF II (including any Alternative Investment Vehicles and any parallel funds), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above,

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the Delaware GP and as are permitted under the Act, the GCOF II Agreements, the respective partnership agreement of any partnership referred to in clause (iii) above and the respective limited liability company agreement of any limited liability company referred to in clause (iv) above, in the case of each of the foregoing, as amended, supplemented or otherwise modified from time to time,

(vii) any other lawful purpose, and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, 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 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 Delaware GP in the conduct of the Partnership'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 Partnership 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 Partnership;

(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 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;

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- (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 Cayman Islands, 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Partnership shall maintain a principal office at 345 Park Avenue, New York, New York 10154 and a registered office at Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands. The Partnership shall maintain an office and principal place of business at such other place or places as the Delaware GP specifies from time to time and as set forth in the books and records of the Partnership.

ARTICLE III

MANAGEMENT

3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners,” subject to the provisions of Section 3.4. 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 Partners as provided in Section 3.4.

3.2. Partner Voting, etc.

(a) Except as may be expressly required or permitted by the Act, Limited Partners as such shall have no right to, and shall not, take part in the management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein.

(b) 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.

(c) Meetings of the Partners may be called only by the Delaware GP.

3.3. Management

(a) The management, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners, and the General Partners shall have full control over the business and affairs of the Partnership; provided that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, control and operation with respect to the voting of securities of portfolio companies of any Fund (as hereinafter defined) and/or the Partnership, and (ii) the Delaware GP shall have exclusive power, authority, management, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of any Fund and/or the Partnership (including any COF II Portfolio Companies), and (iii) each reference in this Agreement to the "General Partner" or "General Partners" in relation to the power, authority, management, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, control and operation of the Partnership with respect to the voting of securities of portfolio companies of any Fund and/or the Partnership, in which case, such reference to the "General Partner" or "General Partners" means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partner's discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners' discretion, subject only to the express terms and conditions of this Agreement. "Fund" means any of (x) COF II, or (y) any other partnership or other entity or investment vehicle of which the Partnership serves as general partner or in a similar capacity.

(b) Notwithstanding any provision in this Agreement to the contrary, the Partnership 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 Partnership, on its own behalf or in its capacity as general partner of GCOF II, or in the Partnership's capacity as a general or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under the GCOF II Agreements, including, without limitation, serving as a general partner of GCOF II, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "Partnership Affiliate Governing Agreement"), of any other partnership, limited liability company or other entity (each a "Partnership Affiliate") of which the

Partnership 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 Partnership Affiliate, and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the GCOF II Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(c) The Delaware GP and any other person designated by the Delaware GP, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the Delaware GP 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 Partnership, on its own behalf or in its capacity as general partner of GCOF II, or in the Partnership's capacity as a general or limited partner, member or other equity owner of any Partnership Affiliate), any of the following:

- (A) any agreement, certificate, instrument or other document of the Partnership, GCOF II or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the GCOF II Agreements and each Partnership Affiliate Governing Agreement, (II) Subscription Agreements on behalf of GCOF II, (III) side letters issued in connection with investments in GCOF II, and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, GCOF II or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Partnership, GCOF II or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, GCOF II or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, GCOF II or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as general partner of GCOF II, or in the Partnership's capacity as a general or limited partner, member or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, GCOF II or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank

account of the Partnership, GCOF II or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, GCOF II or any Partnership Affiliate, and all checks, notes, drafts and other documents of the Partnership, GCOF II or any Partnership Affiliate that may be required in connection with any such bank account or 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 Delaware GP, the Partnership, GCOF II or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the Delaware GP) in this Section 3.3(c) may be revoked at any time by the Delaware GP by an instrument in writing signed by the Delaware GP.

3.4. Responsibilities of Partners. (a) Unless otherwise determined by the Delaware GP in a particular case, each Regular Limited Partner shall devote substantially all his time and attention to the businesses of the Partnership (but shall not be involved in the conduct of the business of the Partnership) and its Affiliates, and each Special Limited Partner shall not be required to devote any time or attention to the businesses of the Partnership or its Affiliates.

(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 Delaware GP from time to time.

(c) The Delaware GP may from time to time establish such other rules and regulations applicable to Partners or other employees as the Delaware GP deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

3.5. 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. (i) 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 capital 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 management of 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 Limited Partner, such Covered Person shall bear its share of such Losses in accordance with such Covered Person's GP-Related 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 Delaware GP) in defending any claim, demand, action, suit or proceeding may, with the approval of the Delaware GP, 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 capital commitment, for such Partner's pro rata share of the Partnership's expenses related to such indemnity obligation, as determined by the Delaware GP. 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.

(ii) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing GCOF II and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced by GCOF II and/or such portfolio entity (or applicable insurance policies maintained by GCOF II and/or such portfolio entity). The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from GCOF II and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the

extent the Partnership (or any Affiliate thereof other than GCOF II) pays or causes to be paid any amounts that should have been paid by GCOF II and/or the applicable portfolio entity, it is agreed among the Partners that the Partnership shall have a subrogation claim against GCOF II and/or such portfolio entity in respect of such advancement or payments. The Delaware GP and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement as the Delaware GP may determine necessary or advisable to give effect to or otherwise implement the foregoing. The Delaware GP shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.5.

3.6. Representations of Partners.

(a) Each Regular or Special Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the Delaware GP, that such Partner is acquiring each of such Partner's Interests for such Partner'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 Partner hereunder; *provided*, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Regular or Special Limited Partner represents and warrants that such Partner 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 Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Regular or Special Limited Partner represents that such Partner has such knowledge and experience in financial and business matters, that such Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Partner is able to bear the economic risk of such investment. Each Regular or Special Limited Partner represents that such Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Partner's net worth and the Partner has no need for liquidity in the Partner's investment in Interests. Each Regular or Special Limited Partner represents that to the full satisfaction of the Partner, the Partner has been furnished any materials that such Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 or Special Limited Partner represents that the Partner has consulted to the extent deemed appropriate by the Partner with the Partner'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 Partner.

(b) Each Regular or Special Limited Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

3.7. Tax Information. Each Regular or Special Limited Partner certifies that (A) if the Partner is a United States person (as defined in the Code) (x) (i) the 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 Partner will complete and return a W-9, and (y) (i) the Partner is a United States person (as defined in the Code) and (ii) the Partner will notify the Partnership within 60 days of a change to foreign (non-United States) status or (B) if the 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 Partner will complete and return the applicable IRS form, including but not limited to a W-8BEN or W-8IMY, and (y) (i) the Partner is not a United States person (as defined in the Code) and (ii) the Partner will notify the Partnership within 60 days of any change of such status. The Partner agrees to properly execute and provide to the Partnership in a timely manner any tax documentation that may be reasonably required by the Partnership or the Delaware GP.

ARTICLE IV

CAPITAL OF THE COMPANY

4.1. Capital Contributions by Partners. Each Regular Limited Partner shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to GCOF II in respect of any GP-Related GCOF II Investment and as are otherwise determined by the Delaware GP from time to time or as may be set forth in such Regular Limited Partner's Commitment Agreement or SMD Agreement, if any. Special Limited Partners shall not be required to make GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Special Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Delaware GP and any Special Limited Partner may agree from time to time that such Special Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Special Limited Partner 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 Partnership related to the GP-Related GCOF II Interest.

(b) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2.

(c) The Delaware GP 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 Partners that are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the Delaware GP.

(d) (i) The Partners and the Withdrawn Limited Partners 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 Delaware GP shall determine, as set forth below, the percentage of Carried Interest that shall be withheld for the Delaware GP and each Partner Category (such withheld percentage constituting the Delaware GP's and such Partner Category's "Holdback Percentage"). The applicable Holdback Percentages initially shall be 0% for the Delaware GP, 15% for Existing Limited

Partners (other than the Delaware GP), 21% for Retaining Withdrawn Limited Partners (other than the Delaware GP) and 24% for Deceased Partners (the “Initial Holdback Percentages”). Any provision of this Agreement not the contrary notwithstanding, the Holdback Percentage for the Delaware GP shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(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 Delaware GP may only reduce the Holdback Percentages among the Partner Categories on a proportionate basis. For example, if the Holdback Percentage for Existing Limited Partners is decreased to 12.5%, the Holdback Percentage for Retaining Withdrawn Limited 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 Delaware GP may not increase the Retaining Withdrawn Limited Partners’ Holdback Percentage beyond 21% unless the Delaware GP concurrently increases the Existing Limited Partners’ Holdback Percentage to the Holdback Percentage of the Retaining Withdrawn Limited Partners. The Delaware GP may not increase the Deceased Partners’ Holdback Percentage beyond 24% unless the Delaware GP increases the Holdback Percentage for both Existing Limited Partners and Retaining Withdrawn Limited Partners to 24%. The Delaware GP 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 Delaware GP 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 Delaware GP reduces the Holdback Percentages for Existing Limited Partners, Retaining Withdrawn Limited Partners and Deceased Partners to 12.5%, 17.5% and 20%, respectively, the Delaware GP 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 Regular Limited Partners (a “Holdback Vote”); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to the Delaware GP 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) or (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 the Partner Category of such Subject Partner; provided further, that a Partner 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 GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

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- (B) A Holdback Vote shall take place at a Partnership meeting. Each Regular Limited Partner shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Regular Limited Partner's interest in the Partnership. Such vote may be cast by any Regular 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 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 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 the 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 Limited 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 Limited Partner) satisfying such Partner's or Withdrawn Limited 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 Delaware GP) 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 in the Partnership's books and records in which Partners 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 Partner or Withdrawn Limited 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) 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 Delaware GP 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 Limited 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 in the Partnership'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 Partnership shall, at the request of any Partner or Withdrawn Limited Partner, assist such Partner or Withdrawn Limited Partner in taking such action necessary to enable such Partner or Withdrawn Limited 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 Limited Partner's Excess Holdback requirement, then up to 100% of the net proceeds otherwise distributable to such Partner or Withdrawn Limited 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 Limited 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 Limited 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 Limited 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 Limited Partner's Excess Holdback requirement), the Partnership shall provide notice of the foregoing to such Partner or Withdrawn Limited Partner and such Partner or Withdrawn Limited 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 Limited Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(iv) shall apply thereto; provided, that clause (A) of the first sentence of Section 5.8(d)(iv) shall be deemed inapplicable to a default under this clause (C); provided further, that for purposes of applying Section 5.8(d)(iv) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(iv) 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)(iv) shall be construed as the amount due pursuant to this clause (C).

(vi) Any Partner or Withdrawn Limited Partner 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 Partner or Withdrawn Limited Partner) or Firm Collateral, in each case, held in the Trust Account for the benefit of such Partner or Withdrawn Limited Partner or (B) 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 (an "L/C") for the benefit of the Trustee(s) in such amounts. Any Partner or Withdrawn Limited 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 (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 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 GCOF 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 (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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) the 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 the Partners or Withdrawn Limited 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 Limited Partners in the Partner Category of such L/C Partner, the L/C of an L/C

Partner 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) (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 Limited Partner may pledge with respect to any in-kind distribution the Special Firm Collateral referred to in asset category 5 on 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 Regular Limited Partner or Withdrawn Limited Partner may satisfy all or any portion of his Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Limited Partner 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 Partner or Withdrawn Limited Partner) that satisfy such Partner's or Withdrawn Limited 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 Limited 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 Delaware GP) 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 Limited 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 Limited Partner 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 Partner or Withdrawn Limited 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 Limited Partner. To the extent a Qualifying Fund distributes Securities to a Partner or Withdrawn Limited Partner in connection with a Special Firm Collateral Realization, such Partner or Withdrawn Limited Partner shall be required to promptly fund such Partner's or Withdrawn Limited 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 (as provided in the Partnership's books and records), if such Partner's or Withdrawn Limited Partner's Special Firm Collateral is valued at less than such Partner's Holdback (excluding any Excess Holdback) as provided in the Partnership's books and records, taking into account other permitted means of satisfying the Holdback hereunder, the Partnership shall provide notice of the foregoing to such Partner or Withdrawn Limited Partner and, within 10 business days of receiving such notice, such Partner or Withdrawn Limited 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 Limited Partner defaults upon his obligations under this clause (C), then Section 5.8(d)(iv) shall apply thereto; provided , that the first sentence of Section 5.8(d)(iv) shall be deemed inapplicable to such default; provided further , that for purposes of applying Section 5.8(d)(iv) to a default under this clause (C): (I) the term "GP-Related Defaulting Party" where such term appears in such Section 5.8(d)(iv) 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)(iv) shall be construed as the amount due pursuant to this clause (C).
- (D) Upon a Partner becoming a Withdrawn Limited Partner, at any time thereafter the Delaware GP may revoke the ability of such Withdrawn Limited 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 Limited 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 Limited 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. No interest shall accrue or be payable on the balances in a Partner's GP-Related Capital Accounts or Capital Commitment-Related Capital Accounts.

4.3. Withdrawals of Capital. Each Partner may make partial withdrawals in respect of such Partner's GP-Related Capital Accounts or Capital Commitment-Related Capital Accounts in such amounts and at such times as may be permitted by the Delaware GP from time to time. Payments with respect to any such partial withdrawals will be made at such times and in cash or in kind as may be determined by the Delaware GP.

ARTICLE V

PARTICIPATION IN PROFITS AND LOSSES

5.1. General Accounting Matters. (a) GP-Related Net Income (Loss) shall be determined by the Delaware GP 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 Partnership related to the GP-Related GCOF II Interest 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).

“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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the Delaware GP 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 Partnership, Holdings and other Affiliates of the Partnership shall be allocated among the Partnership, Holdings and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the Delaware GP. Any adjustments to GP-Related Net Income (Loss) by the Delaware GP, 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 Delaware GP 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 Delaware GP, 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 Limited 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 Delaware GP does not elect to terminate an accounting period and begin a new accounting period, then the Delaware GP may make such adjustments as it deems appropriate to the Partners’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 Delaware GP 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 Delaware GP 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 Limited 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. GP-Related 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 Delaware GP may deem to be appropriate for purposes of accounting for such Partner’s interests in the capital of the Partnership related to the GP-Related GCOF II Interest and the GP-Related Net Income (Loss) of the Partnership (each a “GP-Related Capital Account”).

(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 GP-Related 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 related to such Partner’s GP-Related Partner Interest during such accounting period, and (B) the GP-Related Net Income allocated to such Partner for such accounting period; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner’s GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

5.3. GP-Related Profit Sharing Percentages. (a) Prior to the beginning of each annual accounting period, the Delaware GP shall establish the profit sharing percentage (the “GP-Related Profit Sharing Percentage”) of each Partner 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 Delaware GP deems appropriate, including those referred to in Section 5.1(d); provided, that (i) the Delaware GP may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 Delaware GP may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner’s GP-Related Profit Sharing Percentages shall be allocated by the Delaware GP to one or more of the remaining Partners. In the case of the admission of any Partner to the Partnership as an additional Partner, the GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner’s GP-Related Profit Sharing Percentage shall be pro rata based upon such Partner’s GP-Related Profit Sharing Percentage as in effect immediately prior to the admission of the new Partner. Notwithstanding the foregoing, the Delaware GP may also adjust the GP-Related 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 Delaware GP may elect to allocate to the Partners 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 Delaware GP within 90 days after the end of such accounting period shall be deemed to be allocated among all Partners (including the Delaware GP) in the manner determined by the Delaware GP in its sole discretion.

(c) Unless otherwise determined by the Delaware GP 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 Partners’ 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 Delaware GP pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage in GP-Related Net Income (Loss) from any GP-Related 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 GP-Related Net Income (Loss). (a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP): 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 Partners; second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by GCOF II and allocated to the Partnership with respect to its pro rata share thereof (based on capital contributions made by the Partnership to GCOF II with respect to the GP-Related GCOF II Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by GCOF II and (ii) GP-Related Net Loss relating to realized losses suffered by GCOF II and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including Withdrawn Limited 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, 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 Partners 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 Limited Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to GCOF II, 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.

(e) The Delaware GP may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), 5.8(d) or 7.4(g) or otherwise to make capital contributions as provided hereunder.

5.7. Repurchase Rights, etc.. The Delaware GP may from time to time establish such repurchase rights and/or other requirements with respect to the Partners' GP-Related Partner Interests relating to GP-Related GCOF II Investments as the Delaware GP may determine. The Delaware GP shall

have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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.

5.8. Distributions. (a) 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 Delaware GP. The Delaware GP 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 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. At any time that a sale, exchange, transfer or other disposition by GCOF II of a portion of a GP-Related Investment is being considered by the Partnership (a “GP-Related Disposable Investment”), at the election of the Delaware GP each Partner’s Interest with respect to such GP-Related Investment shall be vertically divided into two separate Interests, an Interest attributable to the GP-Related Disposable Investment (a Partner’s “GP-Related Class B Interest”), and an Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner’s “GP-Related Class A Interest”). Distributions (including those resulting from a sale, transfer, exchange or other disposition by GCOF II) 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 GCOF II) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership’s having sufficient available cash in the reasonable judgment of the Delaware GP, 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 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 GP-Related 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 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 Partner. Notwithstanding the provisions of the foregoing sentence, the Delaware GP may refrain from making any distribution if, in the reasonable judgment of the Delaware GP, such distribution is prohibited by § 18-607 of the Act.

(c) The Delaware GP may provide that the GP-Related 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 Delaware GP shall determine (a “Repurchase Period”). Any Contingent distributions from GP-Related 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 Delaware GP 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 Delaware GP 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 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 Partnership at a purchase price determined at such time by the Delaware GP. Unless determined otherwise by the Delaware GP, the repurchased portion thereof will be allocated among the remaining Partners with interests in such GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the Delaware GP may allocate the Withdrawn Limited Partner’s share of unrealized investment income from a repurchased GP-Related Investment attributable to the period after the Withdrawn Limited Partner’s Withdrawal Date on any basis it may determine, including to existing or new Partners who did not previously have interests in such GP-Related Investment, except that, in any event, each Investor Special Limited Partner 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) Each of the Partners shall, in addition to any other amount agreed to be contributed by such Partner to the Partnership, contribute to the Partnership for contribution to GSO Capital Opportunities Fund II L.P. and any other vehicle formed to co-invest with such partnership to which a “clawback” payment may be due (including, without limitation, Section 5.05 of the GCOF II Partnership Agreement), such Partner’s share of such “clawback” payment, which share shall be based upon the aggregate Carried Interest Distributions in respect of each of the entities referred to above made to such Partner by the Partnership as a percentage of the total amount of such Carried Interest Distributions made by the Partnership to all Partners. In no event will the obligation of a Partner under this Section 5.8(d)(i) exceed 100% of the Carried Interest Distributions made to such Partner (minus the applicable highest effective marginal U.S. Federal, state and local income tax rates for an individual resident in New York, New York applied to the taxable income with respect to such Carried Interest Distributions (taking into account the deductibility of state and local income taxes for U.S. Federal income tax purposes and the character of the income giving rise to the Carried Interest Distributions and, without duplication, any entity-level taxes of the Partnership allocated to such Partner, except to the extent that the aggregate amount to be contributed by the Partners pursuant to this sentence is less than the General Partner’s obligation under Section 5.05 of the GCOF II Partnership Agreement. The limited partners of GSO Capital Opportunities Fund II L.P. and each other fund formed to co-invest with such partnerships shall be third party beneficiaries of this Section 5.8(d)(i) and shall be entitled to enforce the provisions of this Section 5.8(d)(i) as if such limited partners were parties hereto. This Section 5.8(d)(i) shall not be amended without the written consent of at least the minimum percentage required under the applicable GCOF II Agreement, as amended from time to time, of all non-defaulting limited partners of GSO Capital Opportunities Fund II L.P. and any other entity to which a “clawback” payment may be due from the Partnership.

(ii) (A) In order to implement the provisions of Section 5.8(d)(i) and to provide for contribution to the Partnership by each Partner of such Partner’s pro rata share of any GP-Related Giveback Amount, the parties hereto agree that if the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to GCOF II a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a “GP-Related Giveback Amount”), the Partnership shall

call for such amounts as are necessary to satisfy such obligations of the Partnership as determined by the Delaware GP, in which case each Partner and Withdrawn Limited 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 GP-Related Giveback Amount) (the “GP-Related Recontribution Amount”) which equals (I) the product of (a) a Partner’s or Withdrawn Limited 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 GP-Related Giveback Amount, such Partner’s pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related GCOF II 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 GCOF II Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related GCOF II Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related GCOF II Investment, all GP-Related GCOF II Investments. Each Partner and Withdrawn Limited Partner shall promptly contribute to the Partnership, along with satisfying such Partner’s comparable obligations to the Other Fund GPs, if any, upon such call such Partner’s or Withdrawn Limited Partner’s GP-Related Recontribution Amount, less the amount paid out of the Trust Account on behalf of such Partner or Withdrawn Limited 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 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 Partnership’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 Limited Partner’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 Partner or Withdrawn Limited 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 Limited Partner’s GP-Related 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 the 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 GP-Related Giveback Amount (or such lesser amount as may be required by the Delaware GP) shall be contributed by such Partner to such Partner’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 Partner or Withdrawn Limited Partner has satisfied any Holdback obligation with Firm Collateral, such Partner or Withdrawn Limited Partner shall, within 10 days of the Partnership’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 Partner or Withdrawn Limited Partner equals the sum of (I) such Partner’s or Withdrawn Limited Partner’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 Partner or Withdrawn Limited 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 Limited Partner, 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 Partnership’s and the Other Fund GPs’ obligation to pay the Clawback Amount. The failure of any Partner or Withdrawn Limited 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)(iv) as if such cash payment hereunder constitutes a Net GP-Related Recontribution Amount under Section 5.8(d)(iv).

(iii) In the event any Partner or Withdrawn Limited Partner initially fails to recontribute all or any portion of such Partner or Withdrawn Limited Partner's pro rata share of any Clawback Amount pursuant to Section 5.8(d)(i) or 5.8(d)(ii)(A), the Partnership shall use its reasonable efforts to collect the amount which such Partner or Withdrawn Limited Partner so fails to recontribute.

(iv) In the event any Partner or Withdrawn Limited Partner (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 Partnership shall require all other Partners and Withdrawn Limited 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 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)(ii)(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 Delaware GP determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Limited Partner 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 Partner or Withdrawn Limited Partner in respect of such default. Thereafter, the Delaware GP 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 Delaware GP or (2) pursue any and all remedies (at law or equity) available to the Partnership against the GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof (including amounts unrelated to Carried Interest, such as returns of capital and profit thereon). Each Partner and Withdrawn Limited Partner hereby grants to the Partnership a security interest, effective upon such Partner or Withdrawn Limited Partner becoming a GP-Related 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 Limited 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 Limited Partner or in the name of the Partnership, 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 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 Partnership at a rate equal to the Default Interest Rate.

(v) Any Partner's or Withdrawn Limited Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Limited Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Limited Partner to satisfy such Partner's or

Withdrawn Limited Partner's obligation to make a GP-Related Deficiency Contribution before seeking cash contributions from such Partner or Withdrawn Limited Partner in satisfaction of such Partner's or Withdrawn Limited Partner's obligation to make a GP-Related Deficiency Contribution.

(vi) A Partner's or Withdrawn Limited Partner's obligation to make contributions to the Partnership under this Section 5.8(d) shall survive the termination of the Partnership.

(vii) The obligations of the Partnership and the Partners set forth in Section 5.8(d)(i) shall be subject to and governed by the Clawback Provisions, and, in the event of any conflict between Section 5.8(d)(i) and the Clawback Provisions, the Clawback Provisions shall control.

(e) The Partners acknowledge that the Delaware GP 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 Partners, including by allocating writedowns and losses on GP-Related GCOF 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 GP-Related GCOF 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 GP-Related GCOF II Investment (the "Subject Investment") that have been reduced under the GCOF II Agreements as a result of one or more Loss Investments, the Delaware GP 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 GCOF 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 GCOF 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 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 Delaware GP 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 Reconstitution 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 GCOF II Agreements) 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 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 is determined (as provided herein) and (ii) such time as the Partner becomes a Withdrawn Limited 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 Reconstitution Amount promptly upon notice from the Delaware GP (as provided above) shall be deemed a GP-Related Defaulting Party for all purposes hereof.

A Partner may satisfy in part any Net Carried Interest Distribution Reconstitution 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 Reconstitution Amount contributed to the Partnership by such Partner).

Any Net Carried Interest Distribution Reconstitution 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 Delaware GP as follows:

- (A) determine each Partner's share of any losses in any GP-Related GCOF II Investments which gave rise to the Clawback Amount (i.e., the losses that followed the last GP-Related GCOF II Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related GCOF 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 Delaware GP shall be based on its good faith judgment, and no Partner shall have any claim against the Partnership, the Delaware GP 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 Limited 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 as provided in the GCOF II Agreements.

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 Delaware GP 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 Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the Delaware GP 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 U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each fiscal year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to clause (a) above, provided the Delaware GP 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 Partners, within the meaning of the Code and the Regulations thereunder.

ARTICLE VI

ADDITIONAL MEMBERS; WITHDRAWAL OF MEMBERS;
SATISFACTION AND DISCHARGE OF
COMPANY 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 Delaware GP in its sole discretion), the Delaware GP shall have the right to admit one or more additional persons into the Partnership as Regular Limited Partners or Special Limited Partners. Each such person shall make the representations with respect to itself set forth in Section 3.6. The Delaware GP 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment Profit Sharing Percentage. Each additional Partner shall have such voting rights as may be determined by the Delaware GP from time to time unless, upon the admission to the Partnership of any Special Limited Partner, the Delaware GP shall designate that such Special Limited Partner shall not have such voting rights (any such Special Limited Partner being called a "Nonvoting Special 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 GP-Related 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the Delaware GP 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 Delaware GP.

(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 GP-Related Investments and Capital Commitment Investments in which such Partner does not acquire any interests, at such times and in such amounts as shall be determined by the Delaware GP in accordance with Sections 4.1 and 7.1.

(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 (ii) the execution of an amendment to this Agreement by all the Partners (including the additional Partner), as determined by the Delaware GP. 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 Delaware GP on behalf of the Partnership.

6.2. Withdrawal of Partners. (a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the Delaware GP. The Delaware GP generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the Delaware GP in its sole discretion), on not less than 15 days' prior written notice by such Partner to the Delaware GP (or on such shorter notice period as may be mutually agreed upon between such Partner and the Delaware GP); provided, that a Partner may not voluntarily Withdraw without the consent of the Delaware GP 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 Delaware GP, have a material adverse effect on the Partnership or its business; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without

Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Regular Limited Partner, such Partner shall thereupon cease to be a Regular Limited Partner with respect to such person's GP-Related Partner Interest; provided, that the Delaware GP may elect to admit such Withdrawn Limited Partner to the Partnership as a Nonvoting Special Limited Partner with respect to such person's GP-Related Partner Interest, with such GP-Related Partner Interest as the Delaware GP may determine. The determination of whether any Partner has suffered a Total Disability shall be made by the Delaware GP in its sole discretion after consultation with a qualified medical doctor. In the absence of agreement between the Delaware GP 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 Delaware GP 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) with respect to such person's GP-Related Partner Interest and/or with respect to such person's Capital Commitment Partner Interest, such Partner, upon written notice by the Delaware GP to such Partner, shall be required to Withdraw with respect to such person's GP-Related Partner Interest and/or with respect to such person's Capital Commitment Partner Interest, as of a date specified in such notice, which date shall be on or after the date of such notice. If the Delaware GP requires any Partner to Withdraw for Cause with respect to such person's GP-Related Partner Interest and/or with respect to such person's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable. No Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest other than as permitted by written agreement between such Partner and the Partnership; 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 Partner, or transfers required by trust agreements; provided further, that a Regular Limited Partner 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 Limited Partner controls investments related to any interest in the Partnership held therein (an "Estate Planning Vehicle"). Each Estate Planning Vehicle will be a Nonvoting Special Limited Partner. Such Regular Limited Partner and the Nonvoting Special Limited Partner shall be jointly and severally liable for all obligations of both such Regular Limited Partner and such Nonvoting Special Limited Partner with respect to the Partnership (including the obligation to make additional GP-Related Capital Contributions), as the case may be. The Delaware GP 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, no assignee, legatee, distributee, heir or transferee (by conveyance, operation of law or otherwise) of the whole or any portion of any Partner's GP-Related Partner Interest shall have any right to be a Partner without the prior written consent of the Delaware GP (which consent may be withheld without giving any reason therefor). Notwithstanding the granting of a security interest in the entire Interest of any Partner, such Partner shall continue to be a Partner of the Partnership.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with all U.S. federal, state and other applicable laws, including federal and state securities laws.

6.4. Consequences upon Withdrawal of a Partner. (a) The Withdrawal of a Regular Limited Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining Regular Limited Partners and any one or more of such remaining Regular Limited Partners continue the business of the Partnership (any and all such remaining Regular Limited Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(b), if upon the Withdrawal of a Regular Limited Partner there shall be no remaining Regular Limited Partner, the Partnership shall be wound up and subsequently dissolved unless, within 90 days after the occurrence of such Withdrawal, all remaining Special Limited Partners agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more Regular Limited Partners.

(b) The Partnership shall not be wound up, in and of itself, by the Withdrawal of any Partner, but shall continue with the surviving or remaining Partners as partners thereof in accordance with and subject to the terms and provisions of this Agreement.

6.5. Satisfaction and Discharge of a Withdrawn Limited Partner's GP-Related Interest. (a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Limited Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Limited Partner. The term "Settlement Date" means the date as of which a Withdrawn Limited Partner's GP-Related Partner Interest is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Regular Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Special Limited Partner, shall be considered a Withdrawn Limited Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Limited Partner's interest in the Partnership may be agreed to by the Delaware GP and a Withdrawn Limited Partner, a Withdrawn Limited Partner's Settlement Date shall be his Withdrawal Date; provided, that if a Withdrawn Limited Partner's Withdrawal is not the last day of a month, then the Delaware GP may elect for such Withdrawn Limited 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 Limited Partner's Withdrawal Date and Settlement Date, such Withdrawn Limited 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 Limited Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner, the Delaware GP shall promptly after such Withdrawn Limited Partner's Settlement Date (i) determine and allocate to the Withdrawn Limited Partner's GP-Related Capital Accounts such Withdrawn Limited Partner's allocable share of the GP-Related Net Income (Loss) of the Partnership for the period ending on such Settlement Date in accordance with Article V and (ii) credit the Withdrawn Limited Partner's GP-Related Capital Accounts

with interest in accordance with Section 5.2. In making the foregoing calculations, the Delaware GP 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 Delaware GP in a particular case, a Withdrawn Limited Partner shall not be entitled to receive any GP-Related 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 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 Limited Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Limited Partner, the Withdrawn Limited Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the Delaware GP 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Limited Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Limited Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss), or in distributions, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest for any reason other than for Cause pursuant to Section 6.2, then the Withdrawn Limited 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 Limited Partner's GP-Related Partner Interest, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Limited Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Limited Partner's percentage interest attributable to each GP-Related Investment in which the Withdrawn Limited 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)-(r) of this Section 6.5. If the amount determined pursuant to clause (x) above is an aggregate negative balance, the Withdrawn Limited Partner shall pay the amount thereof to the Partnership upon demand by the Delaware GP on or after the date of the statement referred to in paragraph (i) below; provided, that if the Withdrawn Limited Partner was solely a Special Limited Partner on his Withdrawal Date, such payment shall be required only to the extent of any amounts payable to such Withdrawn Limited Partner pursuant to this Section 6.5. Any aggregate negative balance in the GP-Related Capital Accounts of a Withdrawn Limited Partner who was solely a Special Limited Partner, upon the settlement of such Withdrawn Limited Partner's GP-Related Partner Interest pursuant to this Section 6.5, shall be allocated among the other Partners' 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 Delaware GP as of such Withdrawn Limited Partner's Settlement Date. In the settlement of any Withdrawn Limited Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 Special Limited Partner GP-Related Partner Interest and retain such Partner's GP-Related 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 the Withdrawn Limited Partner's GP-Related Partner Interest. The election referred to above shall be made within 60 days after the Withdrawn Limited Partner's Settlement Date, based on a statement of the settlement of such Withdrawn Limited Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Limited Partner's "percentage interest" means his GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Limited Partner 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 Limited Partner (a "Retaining Withdrawn Limited Partner") shall become and remain a Special Limited Partner for such purpose (and, if the Delaware GP so designates, such Special Limited Partner shall be a Nonvoting Special Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Limited Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner Interests of any kind hereunder and such other terms and conditions as are established by the Delaware GP. At the option of the Delaware GP in its sole discretion, the Delaware GP and the Retaining Withdrawn Limited Partner may agree to have the Partnership acquire such GP-Related Partner Interest without the approval of the other Partners; provided, that the Delaware GP shall reflect in the books and records of the Partnership the terms of any acquisition pursuant to this sentence.

(g) The Delaware GP may elect, in lieu of payment in cash of any amount payable to a Withdrawn Limited Partner pursuant to paragraph (e) above, to (i) have the Partnership issue to the Withdrawn Limited Partner a subordinated promissory note and/or to (ii) distribute in kind to the Withdrawn Limited Partner such Withdrawn Limited Partner's pro rata share (as determined by the Delaware GP) of any securities or other investments of the Partnership. If any securities or other investments are distributed in kind to a Withdrawn Limited 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 Delaware GP.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the Delaware GP shall submit to the Withdrawn Limited Partner a statement of the settlement of such Withdrawn Limited Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note and in kind distributions to be made to such Partner as shall be determined by the Delaware GP. The Delaware GP shall submit to the Withdrawn Limited Partner supplemental statements with respect to additional amounts payable to or by the Withdrawn Limited Partner in respect of the settlement of his GP-Related Partner Interest in the Partnership (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 Delaware GP. To the fullest extent permitted by law, such statements and the valuations on which they are based shall be accepted by the Withdrawn Limited Partner without examination of the accounting books and records of the Partnership or other inquiry. Any amounts payable by the Partnership to a Withdrawn Limited 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 Limited Partner shall otherwise rank pari passu in right of

payment (x) with all persons who become Withdrawn Limited Partners and whose Withdrawal Date is within one year before the Withdrawal Date of the Withdrawn Limited Partner in question and (y) with all persons who become Withdrawn Limited Partners and whose Withdrawal Date is within one year after the Withdrawal Date of the Withdrawn Limited Partner in question.

(j) If the aggregate reserves established by the Delaware GP as of the Settlement Date in making the foregoing calculations should prove, in the determination of the Delaware GP, to be excessive or inadequate, the Delaware GP may elect, but shall not be obligated, to pay the Withdrawn Limited Partner or his estate such excess, or to charge the Withdrawn Limited Partner or his estate such deficiency, as the case may be.

(k) Any amounts owed by the Withdrawn Limited Partner to the Partnership at any time on or after the Settlement Date (e.g., outstanding Partnership loans or advances to such Withdrawn Limited Partner) shall be offset against any amounts payable or distributable by the Partnership to the Withdrawn Limited Partner at any time on or after the Settlement Date or shall be paid by the Withdrawn Limited Partner to the Partnership, in each case as determined by the Delaware GP. All cash amounts payable by a Withdrawn Limited 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, N.A. as its prime rate or (y) the maximum rate of interest permitted by applicable law. The “due date” of amounts payable by a Withdrawn Limited Partner pursuant to Section 6.5(i) above shall be 120 days after a Withdrawn Limited Partner’s Settlement Date. The “due date” of amounts payable to or by a Withdrawn Limited Partner in respect of GP-Related Investments for which the Withdrawn Limited Partner 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 Limited 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 Limited Partner’s GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, the Delaware GP 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 Limited Partner of any interest in any GP-Related Investment retained by such Withdrawn Limited Partner, any securities or other investments distributed in kind to such Withdrawn Limited Partner or such Withdrawn Limited Partner’s right to any payment from the Partnership.

(m) If a Partner is required to Withdraw from the Partnership with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) of this Section 6.5; provided, that the Delaware GP 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 Limited Partner’s interest in any GP-Related Investment in which he has an interest as of his Settlement Date, the Delaware GP 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 Limited Partner his allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Limited Partner’s GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Limited Partner 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 Limited Partner or (C) apply the provisions of paragraph (f) above, provided, that the maximum amount of GP-Related Net Income (Loss) allocable to such Withdrawn Limited Partner with respect to any GP-Related Investment shall equal such Partner'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 Delaware GP). The Withdrawn Limited Partner 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 Partnership to the Withdrawn Limited 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 Limited Partner pursuant to this Section 6.5 may be conditioned on the compliance by such Withdrawn Limited 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 Delaware GP. Upon written notice to the Delaware GP, any Withdrawn Limited Partner who is subject to noncompetition restrictions established by the Delaware GP pursuant to this paragraph (n) may elect to forfeit the principal amount payable in the final installment of his subordinated promissory note, 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 Delaware GP shall have the right to pay a Withdrawn Limited Partner (other than the Delaware GP) 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 Limited Partner relating to a Regular Limited Partner or Special Limited Partner and to any transferee of any GP-Related Partner Interest of such Partner pursuant to Section 6.3 if such Partner Withdraws from the Partnership.

(q) (i) The Partnership will assist a Withdrawn Limited Partner or his estate or guardian, as the case may be, in the settlement of the Withdrawn Limited Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Limited Partner or his estate.

(ii) The Partnership may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Limited Partners or their estates or guardians, as referred to above. In such instances, the Partnership will obtain the prior approval of a Withdrawn Limited Partner or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Limited 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.

(r) Each Partner (other than the Delaware GP) hereby irrevocably appoints the Delaware GP as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such

Partner, any and all agreements, instruments, documents and certificates which the Delaware GP 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 Partner or the Partnership or the exercise of any right of such 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 Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

6.6. Dissolution of the Partnership. The Delaware GP may wind up and subsequently dissolve the Partnership prior to the expiration of its term at any time on not less than 60 days' notice of the winding up date given to the other Partners. Upon the winding up 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. Following completion of the winding up, the Delaware GP shall dissolve the Partnership by filing a notice of dissolution with the Registrar of Exempted Limited Partnerships in accordance with the Act.

6.7. Certain Tax Matters. 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 Delaware GP may determine the manner in which such tax allocations shall be made so as to comply more fully with such U.S. 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 taxable year of the Partnership, 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 Delaware GP 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 Delaware GP, shall cause such returns to be timely filed. The Delaware GP 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 Delaware GP 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 Delaware GP 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 6.7 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 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.

(d) To the extent the Delaware GP reasonably determines that the Partnership is required by law to withhold or to make tax payments on behalf of or with respect to any Partner (e.g., backup withholding taxes) ("Tax Advances"), the Delaware GP may withhold such amounts and make such tax payments as so required. All Tax Advances made on behalf of a Partner shall, at the option of the Delaware GP, (i) be promptly paid to the Partnership by the Partner on whose behalf such Tax Advances were made or (ii) 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. Whenever the Delaware GP selects option (ii) pursuant to the preceding sentence for repayment of a Tax Advance by a Partner, for all other purposes of this Agreement, such Partner shall be treated as having received all distributions (whether before or upon liquidation) unreduced by the amount of such Tax Advance. To the fullest extent permitted by law, each Partner hereby agrees to indemnify and hold harmless the Partnership and the other Partners from and against any liability (including any liability for taxes, penalties, additions to tax or interest) with respect to income attributable to or distributions or other payments to such Partner. This Section 6.7(d) shall survive any Transfer or withdrawal of a Partner.

6.8. Special Basis Adjustments. In connection with any assignment or transfer of a Partnership interest permitted by the terms of this Agreement, the Delaware GP may cause the Partnership, on behalf of the Partners 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 Partnership'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 Partner Interests and the Capital Commitment GCOF II Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment GCOF II 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 Partner Interests or the GP-Related GCOF II Interest.

(b) Each Partner, severally, agrees to make contributions of capital to the Partnership (“Capital Commitment-Related Capital Contributions”) as required to fund the Partnership’s capital contributions to GCOF II in respect of the Capital Commitment GCOF II Interest, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to each Capital Commitment Investment in which such Partner 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 Partner 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 Partnership and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment- Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the Delaware GP may submit to the Partners from time to time.

(c) The Partnership or one of its Affiliates (in such capacity, the “Advancing Party”) may in its sole discretion advance to any Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) all or any portion of the Capital Commitment Capital Contributions due to the Partnership from such Partner with respect to any Capital Commitment Investment (“Firm Advances”). Each such Partner shall pay interest on each Firm Advance from the date of each such Firm Advance until the repayment thereof by such Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Partner 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 Partner of such rate upon such Partner’s request; provided, that amounts that are otherwise payable to such Partner 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 Partners 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.

(c) The Cayman GP shall have no Capital Commitment Profit Sharing Percentage in Capital Commitment Net Income (Loss) from any Capital Commitment Investment, but shall receive its pro rata share, based on its capital contribution, of earnings on short-term and temporary investments of the Partnership.

7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner on the books of the Partnership as of December 31, 2015, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his Capital Commitment Partner Interest as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, 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 Delaware GP.

7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Partner.

7.4. Distributions.

(a) Each Partner's allocable portion of Capital Commitment Net Income received from his Capital Commitment Investments, distributions to such Partner that constitute returns of

capital, and other Capital Commitment Net Income of the Partnership (including, without limitation, Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a fiscal year of the Partnership 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 Delaware GP) with any cash amount distributable to such Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each fiscal year of the Partnership (or in each case on such earlier date as selected by the Delaware GP 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 Partner (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 Partner'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 Partner of an amount equal to the U.S. Federal, state and local income taxes on income of the Partnership allocated to such Partner for such year in respect of such Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the Delaware GP, 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 Partnership related to all Partners' Capital Commitment Partner 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 Partnership 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 Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Partner 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Partner Carried Interest);

(v) Fifth, to the payment of principal (including any previously deferred amounts) then owing under all other Investor Notes of such Partner (including those unrelated to the Partnership), the selection of those of such Partner'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 Partner (including those unrelated to the Partnership), the selection of those of such Partner'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 Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Partner 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 Partnership or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Partner, until all such Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the Delaware GP. At the Delaware GP's discretion, any amounts distributed to a Partner in respect of such Partner's Capital Commitment Partner 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. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 Delaware GP in its 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 Partner 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 Partner shall be reduced by the amount of any distribution to such Partner 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 Partnership or GCOF II (a “Capital Commitment Disposable Investment”), at the election of the Delaware GP each Partner’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 Partner’s “Capital Commitment Class B Interest”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “Capital Commitment Class A Interest”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute a Giveback Amount to GCOF II in respect of any Capital Commitment GCOF II Interest that may be held by the Partnership (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a “Capital Commitment Giveback Amount”), the Partnership shall call for such amounts as are necessary to satisfy such obligation of the Partnership as determined by the Delaware GP, in which case each Partner shall contribute to the Partnership, in cash, when and as called by the Partnership, such an amount of prior distributions by the Partnership with respect to the Capital Commitment GCOF II Interest (the “Capital Commitment Recontribution Amount”) which equals such Partner’s pro rata share of prior distributions in connection with (a) the Capital Commitment GCOF II 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 GCOF II Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the Capital Commitment GCOF II Investment referred to in clause (a) above, and (c) if the Capital Commitment Giveback Amount is unrelated to a specific Capital Commitment GCOF II Investment, all Capital Commitment GCOF II Investments. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the Partnership may, at the Delaware GP’s discretion (but shall be under no obligation to), provide notice that in the Delaware GP’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) In the event any Partner (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 Partnership shall require all other Partners and Withdrawn Limited Partners 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 Delaware GP determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment

Giveback Amount; provided, that no Partner 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 Partner in respect of such default. Thereafter, the Delaware GP 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 Delaware GP or (2) pursue any and all remedies (at law or equity) available to the Partnership against the Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the Partnership a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or 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 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 in the name of the Partnership, 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 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 Partnership at a rate equal to the Default Interest Rate.

(iii) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iv) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

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 Delaware GP) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of GCOF II) in valuing investments of GCOF II or, in the case of investments not held by GCOF II, in the good faith judgment of the Delaware GP, 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 Delaware GP in good faith; provided further, that such value may be adjusted by the Delaware GP 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 Partners; 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 Partner of the Partnership.

7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the Delaware GP may in its sole discretion permit a Partner to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the Delaware GP so permits, such Partner shall instruct the Delaware GP in writing prior to such date (i) not to dispose of all or any portion of such Partner's pro rata share of such Capital Commitment Investment (the "Retained Portion") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the Delaware GP upon 5 days notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' pro rata shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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 Delaware GP may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its pro rata share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "Capital Commitment Special Distribution"). Such Partner'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 PARTNERS

8.1. Partner 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 Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Partner is no longer an employee or officer of Holdings or an Affiliate thereof, the Partnership (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 Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Partner shall apply pro rata against all of such Partner's Investor Notes; provided, that such Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Partner. 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 Partner ceasing to be an officer or employee of the Partnership or any of its Affiliates, other than as a result of such Partner dying or suffering a Total Disability, such Partner (the "Withdrawn Limited Partner") and the Partnership or any other person designated by the Delaware GP shall each have the right (exercisable by the Withdrawn Limited Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days notice, but not the obligation, to require the Partnership, subject to the Act, to buy (in the case of exercise of such right by such Withdrawn Limited Partner) or the Withdrawn Limited Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Limited Partner'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 Partner 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 Limited Partner on the Contingent portion of such Capital Commitment Interest minus (z) all Capital Commitment Net Income allocated to the Withdrawn Limited Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Limited Partner 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 Delaware GP'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 Limited Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Limited Partner'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 Limited Partner at the time such Capital Commitment Net Income is received by the Withdrawn Limited Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Limited Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Limited Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Limited Partner at the time of such purchase; provided, that the Partnership and its Affiliates may offset any amounts otherwise owing to a Withdrawn Limited Partner against any Adjustment Amount owed by such Withdrawn Limited Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Limited Partner's Contingent Capital Commitment Interests, his related Investor Note shall be payable in full. If neither the Withdrawn Limited Partner nor the Partnership nor its designee(s) exercise the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Limited Partner shall retain the Contingent portion of his Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Limited Partner 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 Limited Partner at his option, and the Partnership shall apply such prepayments against outstanding Investor Notes on a pro rata basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Limited Partner, the purchasing Partner'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 Partner, such Partner shall thereupon cease to be a Partner with respect to such Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII, subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up and dissolution of the Partnership 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 Delaware GP. The Partnership shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Partner'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 Partner, if the estate or personal representative of such Partner so requests in writing within 180 days of the Partner's death or ceasing to be an employee or member (directly or indirectly) of the Partnership or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Partner as of the last day of the Partnership's then current fiscal year at a price equal to the Capital Commitment Value thereof. Each Partner shall be required to include appropriate provisions in his will to reflect such provisions of this Agreement. In addition, the Partnership may, in the sole discretion of the Delaware GP, upon notice to the estate or personal representative of such Partner within 30 days of the first date on which the Partnership knows or has reason to know of such Partner'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 Partnership or its designee as of the last day of any fiscal year of the Partnership (or earlier period, as determined by the Delaware GP in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Limited Partner as a Partner with respect to any Non-Contingent Capital Commitment Interests, the Delaware GP may, in its sole discretion, by notice to such Withdrawn Limited Partner within 45 days of his ceasing to be an employee or officer of the Partnership or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Limited Partner the pro rata portion of the Securities or other property underlying such Withdrawn Limited Partner'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 Partnership or (2) to cause, as of the last day of any fiscal year of the Partnership (or earlier period, as determined by the Delaware GP in its sole discretion), the Partnership or another person designated by the Delaware GP (who may be itself another Partner or another Affiliate of the Partnership) to purchase all (but not less than all) of such Withdrawn Limited Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The Delaware GP shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Limited Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the Partnership or its nominee, relating to such Securities.

(f) The Partnership 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 Delaware GP. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the Partnership's designee(s), Holdings may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable. To the extent that a Withdrawn Limited Partner's Capital Commitment Interests (or portions thereof) are repurchased by the Partnership 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 Delaware GP, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment, and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Partners 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 Partners 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 Partners and the Delaware GP shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Partnership may require an assumption by the Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Partners; provided, that a Partner 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 Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner 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 Partner was not at any time a direct Regular Limited Partner of the Partnership, the Delaware GP 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 Limited Partner'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 Limited Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Limited Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Limited Partner 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 Limited Partner 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 Partnership will assist a Withdrawn Limited Partner or his estate or guardian, as the case may be, in the settlement of the Withdrawn Limited Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Limited Partner or his estate.

(i) The Partnership may reasonably determine in good faith to retain outside professionals to provide the assistance to Withdrawn Limited Partners or their estates or guardians, as referred to above. In such instances, the Partnership will obtain the prior approval of a Withdrawn Limited Partner or his estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Limited 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.

(j) Each Partner hereby irrevocably appoints the Delaware GP as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, documents and certificates which such Delaware GP 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure an interest in property and the obligations of such Partner hereunder and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

8.2. Transfer of Partner's Capital Commitment Interest. Except as otherwise agreed by the Delaware GP, no Partner or former Partner shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; 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 Limited Partner's or deceased or Totally Disabled Partner's Capital Commitment Interests, (ii) Transfers by a Partner to another Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers of up to 25% of a Regular Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle and (iv) with the prior written consent of the Delaware GP (which consent may be withheld without giving any reason therefor). No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Partner of the

Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Partner pursuant to Section 6.1. A Partner shall not cease to be a 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 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 Partnership may be made except in compliance with all U.S. Federal, state and other applicable laws, including U.S. Federal and state securities laws.

ARTICLE IX

DISSOLUTION

9.1. Dissolution.

(a) The Partnership shall be wound up and subsequently dissolved (each a "Winding Up Event"):

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

(b) Upon a Winding Up Event, the business and property of the Partnership shall be wound up and liquidated by the Delaware GP or, in the event of the unavailability of the Delaware GP, such Limited Partner or other liquidating trustee as shall be named by the a Majority in Interest of the Partners (excluding Nonvoting Limited Partners) (the Delaware GP, such Limited Partner or other liquidating trustee, as the case may be, being hereinafter referred to as the "Liquidator").

9.2. Final Distribution. Within 120 calendar days after a Winding Up Event, 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 Delaware GP or the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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. Following completion of the winding up, the Delaware GP shall dissolve the Partnership by filing a notice of dissolution with the Registrar of Exempted Limited Partnerships in accordance with the Act.

9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, 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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the liquidator estimates to be sufficient to cover the share of such Partner 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 Partner 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 Delaware GP may bring, or may cause the Partnership to bring, on behalf of the Delaware GP 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 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 Delaware GP 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 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 paragraph (c)(i) 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 Cayman Islands. 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 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 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 Blackstone Name. The Partnership acknowledges that Blackstone TM L.L.C. (“TM”), a Delaware limited liability company 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 TM. The Partnership shall not be permitted to use the BLACKSTONE name and service mark without the prior written consent of TM. To the extent the Partnership is permitted to use the BLACKSTONE name and service mark, 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 TM and its Affiliates and licensees. The Partnership understands that, to the extent TM hereinafter permits the Partnership to use the BLACKSTONE name and service mark, TM may thereafter terminate the Partnership’s right to use BLACKSTONE at any time in TM’s 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.

10.3. 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.

10.4. Letter Agreements; Schedules. The Delaware GP may, or may cause the Partnership to, enter into separate letter agreements with individual Partners, officers or employees with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages, any other profit sharing agreements, benefits or any other matter (such letter agreements, the “Admission Letters”). For the avoidance of doubt, any provision of this Agreement to the contrary notwithstanding, in the event of a conflict between this Agreement, on the one hand, and a Partner’s Admission Letter, on the other hand, the terms and provisions of the Admission Letter of such Partner shall control as between the Partnership and such Partner. The Delaware GP may from time to time execute and deliver to the Partners schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment Profit Sharing Percentages of the Partners and any other matters deemed appropriate by the Delaware GP. 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 Cayman Islands without regard to principles of conflict of laws. In particular, the Partnership has been formed and registered as an exempted limited partnership pursuant to the Act, and the rights and liabilities of the 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.

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 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 Articles VI and VIII. Any Partner or Withdrawn Limited Partner 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 Partner's or Withdrawn Limited Partner's interest in the Partnership, unless waived by the Delaware GP. The Partnership shall, if the Delaware GP determine, in its good faith judgment, based on the standards set forth in Sections 5.8(d)(iv) and 7.4(g), 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, the provisions of Section 5.8(d)(i) shall be subject to the last two sentences of said Section 5.8(d)(i).

10.7. 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, that any corporate Partner 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 U.S. Treasury Regulation Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, 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 Partner at its address or telecopy number shown in the Partnership's books and records or, if given to the Delaware GP, at the address of the Partnership 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 Partner or Delaware GP 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 Partner hereby irrevocably appoints the Delaware GP as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the Cayman Islands or any other country or state 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 intended to secure an interest in property and the obligations of such Partner hereunder 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 subsequent disability or incapacity of such Partner.

10.11. Partner's Will. Each Partner and Withdrawn Limited 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 Delaware GP and each such Partner and Withdrawn Limited 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 Limited Partner to which a portion of such Partner's or Withdrawn Limited 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 Limited Partner fails to comply with the provisions of this Section 10.11 after the Partnership has notified such Partner or Withdrawn Limited 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 partner 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 Partner or Withdrawn Limited 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 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.

10.15. Third Party Rights.

(a) A person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 (as amended) to enforce any term of this Agreement.

(b) Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Law, 2014 (as amended) to enforce any term of this Agreement.

(c) The consent of or notice to any person who is not a party to this Agreement shall not be required for any termination, rescission or agreement to any variation, waiver, assignment, novation, release or settlement under this Agreement at any time.

10.16. FATCA.

Each Limited Partner agrees to provide to the General Partner or its agents, upon request, any documentation or other information regarding the Limited Partner and its beneficial owners that the General Partner or its agents may require from time to time in connection with the Partnership's obligations under, and compliance with, applicable laws and regulations including, but not limited to FATCA. By executing this Agreement, the Limited Partner waives any provision under the laws and regulations of any jurisdiction that would, in the absence of such waiver, prevent or inhibit the Partnership's compliance with applicable law as described in this paragraph including, but not limited to preventing (i) the Limited Partner from providing any requested information or documentation, or (ii) the disclosure by the General Partner or its agents of the provided information or documentation to applicable governmental or regulatory authorities. Each Limited Partner further acknowledges that the General Partner may take such action as each of them considers necessary in relation to such Limited Partner's holding and/or withdrawal proceeds to ensure that any withholding tax payable by the Partnership, and any related costs, interest, penalties and other losses and liabilities suffered by the Partnership or any other investor, or any agent, delegate, employee, director, officer or affiliate of any of the foregoing persons, arising from such Limited Partner's failure to provide any requested documentation or other information to the General Partner, is economically borne by such Limited Partner.

IN WITNESS WHEREOF, the parties have executed this Agreement as a deed effective on the day and year first above written.

GENERAL PARTNERS :

EXECUTED AS A DEED

GSO CAPITAL OPPORTUNITIES ASSOCIATES II
(DELAWARE) LLC

By: GSO Holdings I L.L.C., its sole member

By: /s/ Sean Cort

Name: Sean Cort
Title: Authorized Signatory

Witnessed By:

By: /s/ Emma J. Fleming

Name: Emma J. Fleming
Title: Authorized Signatory

EXECUTED AS A DEED

GSO CAPITAL OPPORTUNITIES ASSOCIATES II
(CAYMAN) LTD.

By: /s/ Sean Cort

Name: Sean Cort
Title: Authorized Signatory

Witnessed By:

By: /s/ Emma J. Fleming

Name: Emma J. Fleming
Title: Authorized Signatory

[Signature Page to GSO Capital Opportunities Associates II A&R LPA]

LIMITED PARTNERS:

EXECUTED AS A DEED

All Limited Partners on the date hereof:

By: GSO HOLDINGS I L.L.C., as attorney-in-fact for the
Limited Partners as set forth in the books and records of the
Partnership

By: /s/ Sean Cort

Name: Sean Cort

Title: Authorized Signatory

Witnessed By:

By: /s/ Emma J. Fleming

Name: Emma J. Fleming

Title: Authorized Signatory

[Signature Page to GSO Capital Opportunities Associates II A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET

BREP EDENS ASSOCIATES L.P.

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

Dated as of December 18, 2013

THE LIMITED PARTNERSHIP INTERESTS (THE “INTERESTS”) OF BREP EDENS ASSOCIATES L.P. (THE “PARTNERSHIP”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BREP EDENS ASSOCIATES L.P.

AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP, dated as of December 18, 2013 of BREP Edens Associates L.P., a Delaware limited partnership (the “*Partnership*”), by and between BREA Edens L.L.C., a Delaware limited liability company (the “*General Partner*”), Christopher J. James (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, BREP Edens Associates L.P. was formed as a Delaware limited partnership on October 17, 2013;

WHEREAS, the General Partner and the Initial Limited Partner entered into a Limited Partnership Agreement dated as of October 17, 2013 (the “*Original Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the Original Agreement in its entirety as hereinafter set forth, including to reflect the withdrawal of the Initial Limited Partner;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership

L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each

as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment Edens Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment Edens Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Edens Commitment* ” means the Capital Commitment (as defined in the Edens Partnership Agreement), if any, of the Partnership to Edens that relates solely to the Capital Commitment Edens Interest, if any.

“ *Capital Commitment Edens Interest* ” means the Interest (as defined in the Edens Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of Edens.

“*Capital Commitment Edens Investment*” means the Partnership’s interest in a specific investment of Edens held by the Partnership through the Capital Commitment Edens Interest.

“*Capital Commitment Liquidating Share*” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“*Capital Commitment Net Income (Loss)*” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“*Capital Commitment Partner Interest*” means a Partner’s limited partnership interest in the Partnership with respect to the Capital Commitment Edens Interest.

“*Capital Commitment Profit Sharing Percentage*” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“*Capital Commitment Recontribution Amount*” has the meaning set forth in Section 7.4(g)(i).

“*Capital Commitment-Related Capital Contributions*” has the meaning set forth in Section 7.1(a)(ii).

“*Capital Commitment-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the Edens Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to the Edens Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 any of its Affiliates; (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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“ *CC Carried Interest* ” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “ *CC Carried Interest* ” includes any amount initially received by an Affiliate of the Partnership from any fund (including Edens, 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”).

“ *Clawback Adjustment Amount* ” has the meaning set forth in Section 5.8(e).

“ *Clawback Amount* ” means the “Clawback Amount” as defined in Article One of the Edens Partnership Agreement, and any other clawback amount payable pursuant to the Edens Partnership Agreement, as applicable.

“ *Clawback Provisions* ” means paragraph 9.2.8 of the Edens Partnership Agreement.

“ *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 means, where appropriate, the corresponding provision in any successor statute.

“ *Commitment Agreement* ” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“ *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 or other equity 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 3.6(a).

“Deceased Partner” means 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 Interest Rate” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“Delaware Arbitration Act” has the meaning set forth in Section 10.1(d).

“Disabling Event” means (a) the Withdrawal of the General Partner, other than in accordance with Section 6.4(a) or (b) the 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 a proceeding described in clause (iv) or (vi) 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.

“Edens” means BREP Edens Investment Partners L.P., a Delaware limited partnership.

“Edens Partnership Agreement” means the Amended and Restated Agreement of Limited Partnership of Edens, dated as of December 18, 2013, as it may be amended, supplemented, restated or otherwise modified from time to time.

“Estate Planning Vehicle” has the meaning set forth in Section 6.3(a).

“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 Partner” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“Final Event” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner.

“Firm Advances” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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*” means a calendar year, or any other period chosen by the General Partner.

“*Fund GP*” means the Partnership (only with respect to the GP-Related Edens Interest) and the Other Fund GPs.

“*GAAP*” means U.S. generally accepted accounting principles.

“*General Partner*” means BREDA Edens L.L.C. and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount*” means an “Investment Specific Giveback Amount,” payable by the partners of Edens pursuant to the Giveback provisions.

“*Giveback Provisions*” means paragraph 3.4.3 of the Edens Partnership Agreement.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Deficiency Contribution* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Disposable Investment* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Edens Interest* ” means the Partnership’s interest held by the Partnership in Edens in the Partnership’s capacity as general partner of Edens, excluding any Capital Commitment Edens Interest.

“ *GP-Related Edens Investment* ” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the Edens Partnership Agreement) in the Partnership’s capacity as the general partner of Edens, but does not include any Capital Commitment Investment.

“ *GP-Related Giveback Amount* ” has the meaning set forth in Section 5.8(d)(i)(A).

“ *GP-Related Investment* ” means any investment (direct or indirect) of the Partnership in respect of the GP-Related Edens Interest (including, without limitation, any GP-Related Edens Investment but excluding any Capital Commitment Investment).

“ *GP-Related Net Income (Loss)* ” has the meaning set forth in Section 5.1(b).

“ *GP-Related Partner Interest* ” of a Partner means all interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s interest in the Partnership with respect to the GP-Related Edens Interest and with respect to all GP-Related Investments.

“ *GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“ *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 Edens Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related Edens Investment if Edens’

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 Edens to the Partnership (indirectly through the general partner of Edens) pursuant to any Edens Partnership Agreement with respect to such GP-Related Edens Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Christopher J. James.

“*Interest*” means a Partner’s interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“*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 Partner*” has the meaning set forth in Section 4.1(d)(vi).

“*Lender or Guarantor*” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“*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 and any Nonvoting Limited Partner.

“*Liquidator*” has the meaning set forth in Section 9.1(b).

“*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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“*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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“*Original Agreement*” has the meaning set forth in the recitals.

“*Other Blackstone Collateral Entity*” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“*Other Fund GPs*” means the General Partner (only with respect to the General Partner’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means BREP Edens Associates L.P., a Delaware limited partnership.

“ *Partnership Act* ” means the Delaware Revised Uniform Limited Partnership Act, 6 *Del. C.* §§ 17-101, *et seq.*, as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with

respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*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 “*Withdrawn*” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“*Withdrawal Date*” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 as of the date hereof is BREA Edens L.L.C. The Limited Partners shall be as shown on the books and records of the Partnership. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, and the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner’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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name ; Foreign Jurisdictions. The Partnership is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities on and after the date hereof under the name of BREP Edens Associates L.P. The certificate of limited partnership of the Partnership may be amended and/or restated from time to time by the General Partner. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates:

(i) to serve as the general partner of Edens and perform the functions of a general partner of Edens specified in the Edens Partnership Agreement;

(ii) to serve as, and hold the Capital Commitment Edens Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of Edens and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of Edens specified in the Edens Partnership Agreement;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through Edens), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the Edens Partnership Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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 be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be December 18, 2013.

ARTICLE III

MANAGEMENT

Section 3.1. General Partner s. The General Partner shall be the general partner of the Partnership. The General Partner may not be removed without its consent.

Section 3.2. Limitations on Limited Partner s. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The 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 those enumerated in Section 2.4, on behalf and in the name of the Partnership. 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of Edens, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the Edens Partnership Agreement, including, without limitation, serving as a general partner of Edens, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the Edens Partnership Agreement or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partner and any other person designated by the General Partner, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the General Partner (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partner 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of Edens, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, Edens or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the Edens Partnership Agreement and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of Edens and/or the Partnership, (III) side letters issued in connection with investments in Edens on behalf of Edens and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, Edens or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications of any of the foregoing referred to in (I) through (IV) hereof);

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- (B) the certificates of formation, certificates of limited partnership and/or other organizational documents of the Partnership, Edens or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
 - (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, Edens or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, Edens or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of Edens or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, Edens and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, Edens or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, Edens or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, Edens or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, Edens or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing Edens and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or Edens; second, by the applicable portfolio entity through which such investment is indirectly held and third, by Edens (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from Edens and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by Edens and/or the applicable portfolio entity (including by virtue of any applicable insurance

policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against Edens and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to Edens in respect of the GP-Related Edens Interest with respect to any GP-Related Edens Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related Edens Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the General Partner) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the General Partner) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the General Partner (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the General Partner shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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 General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in 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 thereto (" *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 General Partner 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 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 in the books and records of the Partnership 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 as is 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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 Edens, 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 (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 or her L/C upon (1) the 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 or her 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 the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her 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, the L/C of an L/C Partner 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) (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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or her 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 or other asset 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 or her 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 Partnership), 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) "GP-Related Net Income (Loss)" from any activity of the Partnership related to the GP-Related Edens Interest 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).

"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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related

Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 Partnership for federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from 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 Partnership that differs from its adjusted tax basis for 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related Edens Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related Edens Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the General Partner) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the General Partner): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by Edens and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to Edens with respect to the GP-Related Edens Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by Edens and (ii) GP-Related Net Loss relating to realized losses suffered by Edens and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to Edens, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make

any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related Edens Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by Edens of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by Edens) 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 Edens) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(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 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 GP-Related 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 federal, New York State and New York City income and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the General Partner; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to Edens a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related Edens Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a “*GP-Related Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the “*GP-Related Recontribution Amount*”) which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner’s *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related Edens 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 Edens Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related Edens Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related Edens Investment, all GP-Related Edens Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner’s or Withdrawn Partner’s GP-Related 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 General Partner, 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 Partnership’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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner’s and Withdrawn Partner’s GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner’s Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the Edens Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member’s *pro*

rata share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Edens Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of the Edens Partnership Agreement.

(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 General Partner's call for GP-Related Reconstitution 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 GP-Related Reconstitution 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 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 GP-Related 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 GP-Related Reconstitution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (a "*GP-Related Defaulting Party*") fails to recontribute all or any portion of such GP-Related Defaulting Party's Net GP-Related Reconstitution Amount for any reason, the General Partner 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 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 Reconstitution Amount (a "*GP-Related Deficiency Contribution*") if the General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Reconstitution Amount initially requested from such Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the General Partner 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 the name of the General Partner, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the Edens Partnership Agreement) on GP-Related Edens 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 GP-Related Edens 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 GP-Related Edens Investment (the “*Subject Investment*”) that have been reduced under the Edens Partnership 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 or her 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 Edens) 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 Edens) 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 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 or her 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 Edens Partnership 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 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 GP-Related 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 GP-Related Edens Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related Edens Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related Edens 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 Edens Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to

and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related

Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners.

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner ' s Interest .

(a) The General Partner may not transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner ' s GP-Related Partner Interest .

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the

Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 JPMorgan Chase Bank, N.A., as its prime rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner’s GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner’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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partner) hereby irrevocably appoints the General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such 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 this Section 6.5, including, without limitation, the performance of any obligation of such Partner or the Partnership or the exercise of any right of such 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 Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(b) The General Partner shall cause to be prepared all 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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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” or “partnership representative” (each as defined under the Code), as applicable (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 6.7 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 Partner shall provide to the Partnership copies of each federal, state and local income tax return of such Partner (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 Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment Edens Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment Edens 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 Partner Interests or the GP-Related Edens Interest.

(ii) Each Partner severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to Edens, in respect of the Capital Commitment Edens Interest, if any, and the related Capital Commitment Edens Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is

understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership's portion of the Capital Commitment Edens Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner's Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the "*Advancing Party*") may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment ("*Firm Advances*"). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a

Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the General Partner) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership 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 Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the General Partner shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or Edens (a “*Capital Commitment Disposable Investment*”), at the election of the General Partner each Partner’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 Partner’s “*Capital Commitment Class B Interest*”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “*Capital Commitment Class A Interest*”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to Edens all or a portion of a Giveback Amount with respect to the Capital Commitment Edens Interest (the amount of any such obligation of the Partnership being herein called a “*Capital Commitment Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment Edens Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Partner’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment Edens 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 Edens Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner's Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner's discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the General Partner as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of Edens) in valuing investments of Edens or, in the case of investments not held by Edens, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's *pro rata* share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' *pro rata* shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the Partnership

or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's

Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the dissolution of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole

discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital

Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) Each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be dissolved and subsequently terminated:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

(b) When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner or, in the event of the unavailability of the General Partner, such Limited Partner or other liquidating trustee as shall be named by the a Majority in Interest of the Partners (excluding Nonvoting Limited Partners) (the General Partner, such Limited Partner or other liquidating trustee, as the case may be, being hereinafter referred to as the “Liquidator”).

Section 9.2. Final Distribution.

(a) 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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. (“*TM*”), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM’s 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.

Section 10.3. 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with

individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. In particular, the Partnership has been formed pursuant to the Partnership Act, and the rights and liabilities of the 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, solely to the extent required by the Edens Partnership Agreement, (x) the limited partners in Edens shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Edens Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Edens Partnership Agreement), shall be effective against such limited partners only with the Limited Partner Consent (as such term is used in the Edens Partnership Agreement).

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BREA EDENS L.L.C.

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer and Secretary

[Signature Page to BREP Edens Associates A&R LPA]

INITIAL LIMITED PARTNER:

CHRISTOPHER J. JAMES,

As Initial Limited Partner, solely to reflect his Withdrawal from
the Partnership

By: /s/ Christopher J. James

[Signature Page to BREP Edens Associates A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BLACKSTONE AG ASSOCIATES L.P.**AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIPDated February 16, 2016
Effective as of May 30, 2014

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “*INTERESTS*”) OF BLACKSTONE AG ASSOCIATES L.P. (THE “*PARTNERSHIP*”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE AG ASSOCIATES L.P.

AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of May 30, 2014, of Blackstone AG Associates L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between Blackstone AG L.L.C., a Delaware limited liability company (“*Delaware GP*”), and Blackstone AG Ltd., a Cayman Islands exempted company (“*Cayman GP*”, and, together with the Delaware GP, the “*General Partners*” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner, entered into an Initial Exempted Limited Partnership Agreement dated March 31, 2014 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of Blackstone AG Associates L.P.; and

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties May 30, 2014, and hereby amend and restate the Original Agreement in its entirety with a deemed effective date as between the parties May 30, 2014, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Exempted Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Alban Gate*” means Blackstone AG Investment Partners L.P., a Cayman Islands exempted limited partnership.

“*Alban Gate Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone AG Investment Partners L.P., dated the date set forth therein, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited

partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C. Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“*Capital Commitment Alban Gate Commitment*” means the Capital Commitment (as defined in the Alban Gate Partnership Agreement), if any, of the Partnership to Alban Gate that relates solely to the Capital Commitment Alban Gate Interest, if any.

“*Capital Commitment Alban Gate Interest*” means the Interest (as defined in the Alban Gate Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of Alban Gate.

“*Capital Commitment Alban Gate Investment*” means the Partnership’s interest in a specific investment of Alban Gate held by the Partnership through the Capital Commitment Alban Gate Interest.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“*Capital Commitment Deficiency Contribution*” has the meaning specified in Section 7.4(g)(ii)(A).

“*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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment Alban Gate Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment Alban Gate Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment Alban Gate Interest.

“ *Capital Commitment Profit Sharing Percentage* ” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“ *Capital Commitment Recontribution Amount* ” has the meaning set forth in Section 7.4(g)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *Capital Commitment-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“ *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*” means (i) “Carried Interest Distributions,” as defined in the Alban Gate Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to the Alban Gate Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony (under U.S. law) 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates, or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

"*Cayman GP*" means Blackstone AG Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

"*CC Carried Interest*" means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to "carried interest", including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of "carried interest" received by an Affiliate of the Partnership. "*CC Carried Interest*" includes any amount initially received by an Affiliate of the Partnership from any fund (including Alban Gate, 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").

"*Clawback Adjustment Amount*" has the meaning set forth in Section 5.8(e).

"*Clawback Amount*" means the "Clawback Amount" as defined in Article One of the Alban Gate Partnership Agreement, and any other clawback amount payable pursuant to the Alban Gate Partnership Agreement, as applicable.

"*Clawback Provisions*" means paragraph 9.2.8 of the Alban Gate Partnership Agreement.

"*Code*" means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

"*Commitment Agreement*" means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

"*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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Delaware GP*” means Blackstone AG L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“*Disabling Event*” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) 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.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“*Firm Advances*” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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*” means a calendar year, or any other period chosen by the General Partner.

“*Fund GP*” means the Partnership (only with respect to the GP-Related Alban Gate Interest) and the Other Fund GPs.

“*GAAP*” means U.S. generally accepted accounting principles.

“*General Partner*” or “*General Partners*” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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), in each case, subject to the provisions of Section 3.4.

“*Giveback Amount*” means an “Investment Specific Giveback Amount,” payable by the partners of Alban Gate pursuant to the Giveback Provisions.

“*Giveback Provisions*” means paragraph 3.4.3 of the Alban Gate Partnership Agreement.

“*GP-Related Alban Gate Interest*” means the Partnership’s interest held by the Partnership in Alban Gate in the Partnership’s capacity as general partner of Alban Gate, excluding any Capital Commitment Alban Gate Interest.

“*GP-Related Alban Gate Investment*” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the Alban Gate Partnership Agreement) in the Partnership’s capacity as the general partner of Alban Gate, but does not include any Capital Commitment Investment.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related Alban Gate Interest (including, without limitation, any GP-Related Alban Gate Investment but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related Alban Gate Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 Alban Gate Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related Alban Gate Investment if Alban Gate’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 Alban Gate to the Partnership (indirectly through the general partner of Alban Gate) pursuant to the Alban Gate Partnership Agreement with respect to such GP-Related Alban Gate Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“ *Initial Holdback Percentages* ” has the meaning set forth in Section 4.1(d)(i).

“ *Initial Limited Partner* ” means Mapcal Limited.

“ *Interest* ” means a Partner’s exempted limited partnership interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“ *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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“ *Investor Limited Partner* ” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“ *Investor Note* ” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“ *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 Partner* ” has the meaning set forth in Section 4.1(d)(vi).

“ *Lender or Guarantor* ” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“ *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 and any Nonvoting Limited Partner.

“ *Liquidator* ” has the meaning set forth in Section 6.6.

“ *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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“ *Moody’s* ” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“*Original Agreement*” has the meaning set forth in the recitals.

“*Other Blackstone Collateral Entity*” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“*Other Fund GPs*” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“*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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“*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*” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“*Partnership*” means Blackstone AG Associates L.P., an exempted limited partnership registered in the Cayman Islands.

“*Partnership Act*” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“*Partnership Affiliate*” has the meaning set forth in Section 3.4(c).

“*Partnership Affiliate Governing Agreement*” has the meaning set forth in Section 3.4(c).

“*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 General Partner as a “Qualifying Fund.”

“*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).

“*Retained Portion*” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*U.S.*” means the United States of America.

“ *Winding Up Event* ” has the meaning set forth in Section 9.1(a).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including,

without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone AG Associates L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2064, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act,

(i) to serve as a general partner of Alban Gate and perform the functions of a general partner of Alban Gate specified in the Alban Gate Partnership Agreement;

(ii) to serve as, and hold the Capital Commitment Alban Gate Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of Alban Gate and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of Alban Gate specified in the Alban Gate Partnership Agreement;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through Alban Gate), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the Alban Gate Partnership Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, *provided*, that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place or places within the Cayman Islands as may from time to time be designated by the General Partner.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be May 30, 2014.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners,” subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership’s business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided, that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the “General Partner” or “General Partners” in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the “General Partner” or “General Partners” means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners’ discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners’ 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of Alban Gate, or in the Partnership’s capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership’s obligations under, the Alban Gate Partnership Agreement, including, without limitation, serving as a general partner of Alban Gate, (ii) to execute and deliver, and to perform the Partnership’s obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a “*Partnership Affiliate Governing Agreement*”), of any other partnership, limited liability company, other company, corporation or other entity (each a “*Partnership Affiliate*”) of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii)

to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the Alban Gate Partnership Agreement or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of Alban Gate, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, Alban Gate or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the Alban Gate Partnership Agreement and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of Alban Gate and/or the Partnership, (III) side letters issued in connection with investments in Alban Gate on behalf of Alban Gate and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, Alban Gate or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Alban Gate, the Partnership or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, Alban Gate or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, Alban Gate or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity

as a general partner, capital partner and/or limited partner of Alban Gate or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, Alban Gate and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, Alban Gate or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, Alban Gate or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, Alban Gate or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, Alban Gate or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing Alban Gate and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or Alban Gate; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by Alban Gate (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from Alban Gate and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by Alban Gate and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against Alban Gate and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W 8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax

Withholding and Reporting (“*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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership (“*GP-Related Capital Contributions*”) at such times and in such amounts (the “*GP-Related Required Amounts*”) as are required to satisfy the Partnership’s obligation to make capital contributions to Alban Gate in respect of the GP-Related Alban Gate Interest with respect to any GP-Related Alban Gate Investment and as are otherwise as determined by the General Partner from time to time or as may be set forth in such Limited Partner’s Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner’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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner’s GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related Alban Gate Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a “*Holdback Vote*”); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner’s Holdback Percentage unless such voting Partner determines, in such Partner’s good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner’s successors or assigns (including such Subject Partner’s estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

- (B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner’s interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an “*L/C*”) for the benefit of the Trustee(s) 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 (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 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 Alban Gate, 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 General Partner on behalf of the Partnership 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 Partner’s obligation relating to the Partnership’s obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) "*GP-Related Net Income (Loss)*" from any activity of the Partnership related to the GP-Related Alban Gate Interest 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).

"*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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of "phantom interests" in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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' 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 Partners' average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related Alban Gate Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related Alban Gate Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing

Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be pro rata based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss). (a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by Alban Gate and allocated to the Partnership with respect to its pro rata share thereof (based on capital contributions made by the Partnership to Alban Gate with respect to the GP-Related Alban Gate Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with

respect to the GP-Related Investment giving rise to such loss suffered by Alban Gate and (ii) GP-Related Net Loss relating to realized losses suffered by Alban Gate and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to Alban Gate, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related Alban Gate Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by Alban Gate of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by Alban Gate) 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 Alban Gate) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to Alban Gate a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related Alban Gate Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for

such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the “*GP-Related Recontribution Amount*”) which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner’s pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related Alban Gate 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 Alban Gate Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related Alban Gate Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related Alban Gate Investment, all GP-Related Alban Gate Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner’s or Withdrawn Partner’s GP-Related 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 General Partner, 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 Partnership’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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner’s and Withdrawn Partner’s GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner’s Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the Alban Gate Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member’s pro rata share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Alban Gate Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership’s obligations under paragraph 9.2.8(a) of the Alban Gate Partnership Agreement.

- (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 General Partner'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 Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner'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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Partner or Withdrawn Partner in respect of such default.

- (B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

- (C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the Alban Gate Partnership Agreement) on GP-Related Alban Gate 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 GP-Related Alban Gate 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 GP-Related Alban Gate Investment (the “*Subject Investment*”) that have been reduced under the Alban Gate Partnership 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 or her 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 Alban Gate) 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 Alban Gate) 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 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 or her 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 Alban Gate Partnership 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 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 GP-Related 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 GP-Related Alban Gate Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last GP-Related Alban Gate Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related Alban Gate 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 Alban Gate Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her pro rata share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners. (a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner ' s Interest .

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner ' s GP-Related Partner Interest .

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below.

Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner’s GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner’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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "*Liquidator*"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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' 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable, (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment Alban Gate Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment Alban Gate 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 Partner Interests or the GP-Related Alban Gate Interest.

(ii) Each Partner (other than the Cayman GP), severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to Alban Gate, in respect of the Capital Commitment Alban Gate Interest, if any, and the related Capital Commitment Alban Gate Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment Alban Gate Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank pari passu with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding

proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital

Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or Alban Gate (a "*Capital Commitment Disposable Investment*"), at the election of the General Partner each Partner'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 Partner's "*Capital Commitment Class B Interest*"), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner's "*Capital Commitment Class A Interest*"). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to Alban Gate all or a portion of a Giveback Amount with respect to the Capital Commitment Alban Gate Interest (the amount of any such obligation of the Partnership being herein called a “ *Capital Commitment Giveback Amount* ”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment Alban Gate Interest (the “ *Capital Commitment Recontribution Amount* ”) which equals such Partner’s pro rata share of prior distributions in connection with (a) the Capital Commitment Alban Gate 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 Alban Gate Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

- (B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of Alban Gate) in valuing investments of Alban Gate or, in the case of investments not held by Alban Gate, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its pro rata share of such Capital

Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's pro rata share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' pro rata shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its pro rata share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay

a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply pro rata against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the

Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member

(directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the pro rata portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased

Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner’s Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner’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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a

Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “Winding Up Event.”

Section 9.2. Final Distribution.

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

- (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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her 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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the Alban Gate Partnership Agreement, (x) the limited partners in Alban Gate shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Alban Gate Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in in paragraph 9.2.8(b) of the Alban Gate Partnership Agreement), shall be effective against such limited partners only with the Limited Partner Consent (as such term is used in the Alban Gate Partnership Agreement). Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BLACKSTONE AG L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BLACKSTONE AG LTD.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

[Blackstone AG Associates L.P. LPA]

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Claire Bedingham

Name: Claire Bedingham

[Blackstone AG Associates L.P. LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET

BREP OMP ASSOCIATES L.P.

AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

Dated as of June 27, 2014

THE LIMITED PARTNERSHIP INTERESTS (THE "INTERESTS") OF BREP OMP ASSOCIATES L.P. (THE "PARTNERSHIP") HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BREP OMP ASSOCIATES L.P.

AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP, dated as of June 27, 2014 of BREP OMP Associates L.P., a Delaware limited partnership (the “*Partnership*”), by and between BREA OMP GP L.L.C., a Delaware limited liability company (the “*General Partner*”), Christopher J. James (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, BREP OMP Associates L.P. was formed as a Delaware limited partnership on February 26, 2014;

WHEREAS, the General Partner and the Initial Limited Partner entered into a Limited Partnership Agreement dated as of February 26, 2014 (the “*Original Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the Original Agreement in its entirety as hereinafter set forth, including to reflect the withdrawal of the Initial Limited Partner;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership

L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each

as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment OMP Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment OMP Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment OMP Commitment* ” means the Capital Commitment (as defined in the OMP Partnership Agreement), if any, of the Partnership to OMP that relates solely to the Capital Commitment OMP Interest, if any.

“ *Capital Commitment OMP Interest* ” means the Interest (as defined in the OMP Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of OMP.

“ *Capital Commitment OMP Investment* ” means the Partnership’s interest in a specific investment of OMP held by the Partnership through the Capital Commitment OMP Interest.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s limited partnership interest in the Partnership with respect to the Capital Commitment OMP Interest.

“ *Capital Commitment Profit Sharing Percentage* ” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“ *Capital Commitment Recontribution Amount* ” has the meaning set forth in Section 7.4(g)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *Capital Commitment-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“ *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* ” means (i) “Carried Interest Distributions,” as defined in the OMP Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to the OMP Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 any of its Affiliates; (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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“ *CC Carried Interest* ” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “ *CC Carried Interest* ” includes any amount initially received by an Affiliate of the Partnership from any fund (including OMP, 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”).

“ *Clawback Adjustment Amount* ” has the meaning set forth in Section 5.8(e).

“ *Clawback Amount* ” means the “Clawback Amount” and the “Interim Clawback Amount,” both as defined in Article One of the OMP Partnership Agreement, and any other clawback amount payable pursuant to the OMP Partnership Agreement, as applicable.

“ *Clawback Provisions* ” means paragraphs 4.2.8 and 9.2.8 of the OMP Partnership Agreement.

“ *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 means, where appropriate, the corresponding provision in any successor statute.

“ *Commitment Agreement* ” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“ *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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Disabling Event*” means (a) the Withdrawal of the General Partner, other than in accordance with Section 6.4(a) or (b) the 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 a proceeding described in clause (iv) or (vi) 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.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner.

“*Firm Advances*” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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* ” means a calendar year, or any other period chosen by the General Partner.

“ *Fund GP* ” means the Partnership (only with respect to the GP-Related OMP Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” means BREA OMP GP L.L.C. and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount* ” means an “Investment Specific Giveback Amount,” payable by the partners of OMP pursuant to the Giveback provisions.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the OMP Partnership Agreement.

“ *GP-Related Capital Account* ” has the meaning set forth in Section 5.2(a).

“ *GP-Related Capital Contributions* ” has the meaning set forth in Section 4.1(a).

“ *GP-Related Class A Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Class B Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“ *GP-Related Defaulting Party* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Deficiency Contribution* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Disposable Investment* ” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related OMP Interest (including, without limitation, any GP-Related OMP Investment but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related OMP Interest*” means the Partnership’s interest held by the Partnership in OMP in the Partnership’s capacity as general partner of OMP, excluding any Capital Commitment OMP Interest.

“*GP-Related OMP Investment*” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the OMP Partnership Agreement) in the Partnership’s capacity as the general partner of OMP, but does not include any Capital Commitment Investment.

“*GP-Related Partner Interest*” of a Partner means all interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s interest in the Partnership with respect to the GP-Related OMP Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 OMP Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related OMP Investment if OMP’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 OMP to the Partnership (indirectly through the general partner of OMP) pursuant to any OMP Partnership Agreement with respect to such GP-Related OMP Investment were made on such date. “GP-Related Unrealized Net Income (Loss)”

attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Christopher J. James.

“*Interest*” means a Partner’s interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“ *Investor Limited Partner* ” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“ *Investor Note* ” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“ *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 Partner* ” has the meaning set forth in Section 4.1(d)(vi).

“ *Lender or Guarantor* ” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“ *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 and any Nonvoting Limited Partner.

“ *Liquidator* ” has the meaning set forth in Section 9.1(b).

“ *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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“*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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“*OMP*” means BREP OMP Investment Partners L.P., a Delaware limited partnership.

“*OMP Partnership Agreement*” means the Amended and Restated Agreement of Limited Partnership of OMP, dated as of June 27, 2014, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*Original Agreement*” has the meaning set forth in the recitals.

“*Other Blackstone Collateral Entity*” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the General Partner (only with respect to the General Partner’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means BREP OMP Associates L.P., a Delaware limited partnership.

“ *Partnership Act* ” means the Delaware Revised Uniform Limited Partnership Act, 6 *Del. C.* §§ 17-101, *et seq.*, as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*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 “*Withdrawn*” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“*Withdrawal Date*” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 as of the date hereof is BREA OMP GP L.L.C. The Limited Partners shall be as shown on the books and records of the Partnership. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, and the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner’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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name ; Foreign Jurisdictions. The Partnership is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities on and after the date hereof under the name of BREP OMP Associates L.P. The certificate of limited partnership of the Partnership may be amended and/or restated from time to time by the General Partner. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates:

- (i) to serve as the general partner of OMP and perform the functions of a general partner of OMP specified in the OMP Partnership Agreement;
- (ii) to serve as, and hold the Capital Commitment OMP Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of OMP and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of OMP specified in the OMP Partnership Agreement;
- (iii) 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, restated or otherwise modified from time to time, of any such partnership;
- (iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;
- (v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through OMP), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;
- (vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the OMP Partnership Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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 be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be June 27, 2014.

ARTICLE III

MANAGEMENT

Section 3.1. General Partner s. The General Partner shall be the general partner of the Partnership. The General Partner may not be removed without its consent.

Section 3.2. Limitations on Limited Partner s. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The 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 those enumerated in Section 2.4, on behalf and in the name of the Partnership. 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of OMP, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the OMP Partnership Agreement, including, without limitation, serving as a general partner of OMP, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the OMP Partnership Agreement or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partner and any other person designated by the General Partner, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the General Partner (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partner 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of OMP, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, OMP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the OMP Partnership Agreement and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of OMP and/or the Partnership, (III) side letters issued in connection with investments in OMP on behalf of OMP and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, OMP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications of any of the foregoing referred to in (I) through (IV) hereof);

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- (B) the certificates of formation, certificates of limited partnership and/or other organizational documents of the Partnership, OMP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
 - (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, OMP or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, OMP or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of OMP or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, OMP and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, OMP or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, OMP or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, OMP or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, OMP or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing OMP and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or OMP; second, by the applicable portfolio entity through which such investment is indirectly held and third, by OMP (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from OMP and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by OMP and/or the applicable portfolio entity (including by virtue of any applicable insurance

policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against OMP and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to OMP in respect of the GP-Related OMP Interest with respect to any GP-Related OMP Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related OMP Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the General Partner) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the General Partner) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the General Partner (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the General Partner shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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 General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in 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 thereto (" *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 General Partner 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 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 in the books and records of the Partnership 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 as is 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) 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 (an "L/C") for the benefit of the Trustee(s) 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 (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 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 OMP, 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 (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 or her L/C upon (1) the 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 or her 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 the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her 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, the L/C of an L/C Partner 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) (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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or her 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 or other asset 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 or her 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 Partnership), 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) "*GP-Related Net Income (Loss)*" from any activity of the Partnership related to the GP-Related OMP Interest 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).

"*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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related

Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 Partnership for federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from 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 Partnership that differs from its adjusted tax basis for 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related OMP Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related OMP Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the General Partner) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the General Partner): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by OMP and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to OMP with respect to the GP-Related OMP Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by OMP and (ii) GP-Related Net Loss relating to realized losses suffered by OMP and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to OMP, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make

any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related OMP Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by OMP of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by OMP) 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 OMP) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(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 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 GP-Related 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 federal, New York State and New York City income and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the General Partner; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to OMP a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related OMP Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a “*GP-Related Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the “*GP-Related Recontribution Amount*”) which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner’s *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related OMP 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 OMP Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related OMP Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related OMP Investment, all GP-Related OMP Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner’s or Withdrawn Partner’s GP-Related 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 General Partner, 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 Partnership’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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner’s and Withdrawn Partner’s GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner’s Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the OMP Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member’s *pro*

rata share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the OMP Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of the OMP Partnership Agreement.

(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 General Partner'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 Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner'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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the General Partner 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 the name of the General Partner, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the OMP Partnership Agreement) on GP-Related OMP 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 GP-Related OMP 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 GP-Related OMP Investment (the “*Subject Investment*”) that have been reduced under the OMP Partnership 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 or her 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 OMP) 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 OMP) 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 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 or her 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 OMP Partnership 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 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 GP-Related 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 GP-Related OMP Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related OMP Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related OMP 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 OMP Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to

and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related

Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners.

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner ' s Interest .

(a) The General Partner may not transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner ' s GP-Related Partner Interest .

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the

Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 JPMorgan Chase Bank, N.A., as its prime rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner’s GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner’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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partner) hereby irrevocably appoints the General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such 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 this Section 6.5, including, without limitation, the performance of any obligation of such Partner or the Partnership or the exercise of any right of such 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 Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(b) The General Partner shall cause to be prepared all 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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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” or “partnership representative” (each as defined under the Code), as applicable (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 6.7 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 Partner shall provide to the Partnership copies of each federal, state and local income tax return of such Partner (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 Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment OMP Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment OMP 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 Partner Interests or the GP-Related OMP Interest.

(ii) Each Partner severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to OMP, in respect of the Capital Commitment OMP Interest, if any, and the related Capital Commitment OMP Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is

understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership's portion of the Capital Commitment OMP Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner's Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the "*Advancing Party*") may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment ("*Firm Advances*"). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a

Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the General Partner) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership 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 Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the General Partner shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or OMP (a “*Capital Commitment Disposable Investment*”), at the election of the General Partner each Partner’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 Partner’s “*Capital Commitment Class B Interest*”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “*Capital Commitment Class A Interest*”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to OMP all or a portion of a Giveback Amount with respect to the Capital Commitment OMP Interest (the amount of any such obligation of the Partnership being herein called a “*Capital Commitment Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment OMP Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Partner’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment OMP 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 OMP Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner's Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner's discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the General Partner as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of OMP) in valuing investments of OMP or, in the case of investments not held by OMP, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's *pro rata* share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' *pro rata* shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the Partnership

or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's

Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the dissolution of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole

discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital

Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) Each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be dissolved and subsequently terminated:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

(b) When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner or, in the event of the unavailability of the General Partner, such Limited Partner or other liquidating trustee as shall be named by the a Majority in Interest of the Partners (excluding Nonvoting Limited Partners) (the General Partner, such Limited Partner or other liquidating trustee, as the case may be, being hereinafter referred to as the “Liquidator”).

Section 9.2. Final Distribution.

(a) 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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. (“*TM*”), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM’s 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.

Section 10.3. 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with

individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. In particular, the Partnership has been formed pursuant to the Partnership Act, and the rights and liabilities of the 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, solely to the extent required by the OMP Partnership Agreement, (x) the limited partners in OMP shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the OMP Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the OMP Partnership Agreement), shall be effective against such limited partners only with the Limited Partner Consent (as such term is used in the OMP Partnership Agreement).

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BREA OMP GP L.L.C.

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer and Secretary

[Signature Page to BREP OMP Associates A&R LPA]

INITIAL LIMITED PARTNER:

CHRISTOPHER J. JAMES,

As Initial Limited Partner, solely to reflect his Withdrawal from
the Partnership

By: /s/ Christopher J. James

[Signature Page to BREP OMP Associates A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BLACKSTONE OBS ASSOCIATES L.P.****AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP**

Dated February 16, 2016
Effective as of July 25, 2014

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “*INTERESTS*”) OF BLACKSTONE OBS ASSOCIATES L.P. (THE “*PARTNERSHIP*”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE OBS ASSOCIATES L.P.

AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of July 25, 2014, of Blackstone OBS Associates L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between Blackstone OBS L.L.C., a Delaware limited liability company (“*Delaware GP*”), and Blackstone OBS Ltd., a Cayman Islands exempted company (“*Cayman GP*”, and, together with the Delaware GP, the “*General Partners*” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner, entered into an Initial Exempted Limited Partnership Agreement dated July 15, 2014 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of Blackstone OBS Associates L.P.; and

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties July 25, 2014, and hereby amend and restate the Original Agreement in its entirety with a deemed effective date as between the parties July 25, 2014, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*125 Old Broad Street*” shall mean 125 OBS Holdco Sarl, a Luxembourg Société à responsabilité limitée, which as of the date of this Agreement controls, directly or indirectly, 100% of the equity interest in 125 Old Broad Street located in London.

“*125 Old Broad Street Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone OBS Investment Partners L.P., dated the date set forth therein, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Exempted Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited

partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“*Capital Commitment 125 Old Broad Street Commitment*” means the Capital Commitment (as defined in the 125 Old Broad Street Partnership Agreement), if any, of the Partnership to 125 Old Broad Street that relates solely to the Capital Commitment 125 Old Broad Street Interest, if any.

“*Capital Commitment 125 Old Broad Street Interest*” means the Interest (as defined in the 125 Old Broad Street Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of 125 Old Broad Street.

“*Capital Commitment 125 Old Broad Street Investment*” means the Partnership’s interest in a specific investment of 125 Old Broad Street held by the Partnership through the Capital Commitment 125 Old Broad Street Interest.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“*Capital Commitment Deficiency Contribution*” has the meaning specified in Section 7.4(g)(ii)(A).

“*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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment 125 Old Broad Street Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment 125 Old Broad Street Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment 125 Old Broad Street Interest.

“ *Capital Commitment Profit Sharing Percentage* ” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“ *Capital Commitment Recontribution Amount* ” has the meaning set forth in Section 7.4(g)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *Capital Commitment-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the 125 Old Broad Street Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to the 125 Old Broad Street Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony (under U.S. law) 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates, or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

"*Cayman GP*" means Blackstone OBS Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

"*CC Carried Interest*" means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to "carried interest", including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of "carried interest" received by an Affiliate of the Partnership. "*CC Carried Interest*" includes any amount initially received by an Affiliate of the Partnership from any fund (including 125 Old Broad Street, 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").

"*Clawback Adjustment Amount*" has the meaning set forth in Section 5.8(e).

"*Clawback Amount*" means the "Clawback Amount" as defined in Article One of the 125 Old Broad Street Partnership Agreement, and any other clawback amount payable pursuant to the 125 Old Broad Street Partnership Agreement, as applicable.

"*Clawback Provisions*" means paragraph 9.2.8 of the 125 Old Broad Street Partnership Agreement.

"*Code*" means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

"*Commitment Agreement*" means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain

obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“ *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 or other equity 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 3.6(a).

“ *Deceased Partner* ” means 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 Interest Rate* ” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“ *Delaware Arbitration Act* ” has the meaning set forth in Section 10.1(d).

“ *Delaware GP* ” means Blackstone OBS L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“ *Disabling Event* ” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) 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.

“ *Estate Planning Vehicle* ” has the meaning set forth in Section 6.3(a).

“ *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 Partner* ” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“ *Final Event* ” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“ *Firm Advances* ” has the meaning set forth in Section 7.1(b).

“ *Firm Collateral* ” means 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* ” means a calendar year, or any other period chosen by the General Partner.

“ *Fund GP* ” means the Partnership (only with respect to the GP-Related 125 Old Broad Street Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” or “ *General Partners* ” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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), in each case, subject to the provisions of Section 3.4.

“ *Giveback Amount* ” means an “Investment Specific Giveback Amount,” payable by the partners of 125 Old Broad Street pursuant to the Giveback Provisions.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the 125 Old Broad Street Partnership Agreement.

“*GP-Related 125 Old Broad Street Interest*” means the Partnership’s interest held by the Partnership in 125 Old Broad Street in the Partnership’s capacity as general partner of 125 Old Broad Street, excluding any Capital Commitment 125 Old Broad Street Interest.

“*GP-Related 125 Old Broad Street Investment*” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the 125 Old Broad Street Partnership Agreement) in the Partnership’s capacity as the general partner of 125 Old Broad Street, but does not include any Capital Commitment Investment.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related 125 Old Broad Street Interest (including, without limitation, any GP-Related 125 Old Broad Street Investment but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related 125 Old Broad Street Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 125 Old Broad Street Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related 125 Old Broad Street Investment if 125 Old Broad Street’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 125 Old Broad Street to the Partnership (indirectly through the general partner of 125 Old Broad Street) pursuant to the 125 Old Broad Street Partnership Agreement with respect to such GP-Related 125 Old Broad Street Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Mapcal Limited.

“*Interest*” means a Partner’s exempted limited partnership interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“ *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 Partner* ” has the meaning set forth in Section 4.1(d)(vi).

“ *Lender or Guarantor* ” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“ *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 and any Nonvoting Limited Partner.

“ *Liquidator* ” has the meaning set forth in Section 6.6.

“ *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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“ *Moody’s* ” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means Blackstone OBS Associates L.P., an exempted limited partnership registered in the Cayman Islands.

“ *Partnership Act* ” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Partner* ” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *U.S.* ” means the United States of America.

“ *Winding Up Event* ” has the meaning set forth in Section 9.1(a).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone OBS Associates L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2064, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act,

(i) to serve as a general partner of 125 Old Broad Street and perform the functions of a general partner of 125 Old Broad Street specified in the 125 Old Broad Street Partnership Agreement;

(ii) to serve as, and hold the Capital Commitment 125 Old Broad Street Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of 125 Old Broad Street and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of 125 Old Broad Street specified in the 125 Old Broad Street Partnership Agreement;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through 125 Old Broad Street), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the 125 Old Broad Street Partnership Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, *provided*, that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place or places within the Cayman Islands as may from time to time be designated by the General Partner.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be July 25, 2014.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners,” subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided, that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the "General Partner" or "General Partners" in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the "General Partner" or "General Partners" means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners' discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners' 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of 125 Old Broad Street, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the 125 Old Broad Street Partnership Agreement, including, without limitation, serving as a general partner of 125 Old Broad Street, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the 125 Old Broad Street Partnership Agreement or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of 125 Old Broad Street, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, 125 Old Broad Street or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the 125 Old Broad Street Partnership Agreement and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of 125 Old Broad Street and/or the Partnership, (III) side letters issued in connection with investments in 125 Old Broad Street on behalf of 125 Old Broad Street and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, 125 Old Broad Street or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 125 Old Broad Street, the Partnership or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, 125 Old Broad Street or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, 125 Old Broad Street or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of 125 Old Broad Street or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, 125 Old Broad Street and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, 125 Old Broad Street or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, 125 Old Broad Street or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, 125 Old Broad Street or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, 125 Old Broad Street or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing 125 Old Broad Street and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or 125 Old Broad Street; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by 125 Old Broad Street (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from 125 Old Broad Street and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by 125 Old Broad Street and/or the

applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against 125 Old Broad Street and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W 8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to 125 Old Broad Street in respect of the GP-Related 125 Old Broad Street Interest with respect to any GP-Related 125 Old Broad Street Investment and as are otherwise as determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited

Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related 125 Old Broad Street Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Reconstitution Amounts that may become due.

- (B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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 125 Old Broad Street, 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 General Partner on behalf of the Partnership 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 Partner*'s obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) “ *GP-Related Net Income (Loss)* ” from any activity of the Partnership related to the GP-Related 125 Old Broad Street Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related 125 Old Broad Street Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related 125 Old Broad Street Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General

Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be pro rata based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss). (a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by 125 Old Broad Street and allocated to the Partnership with respect to its pro rata share thereof (based on capital contributions made by the Partnership to 125 Old Broad Street with respect to the GP-Related 125 Old Broad Street Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by 125 Old Broad Street and (ii) GP-Related Net Loss relating to realized losses suffered by 125 Old Broad Street and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to 125 Old Broad Street, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related 125 Old Broad Street Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by 125 Old Broad Street of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by 125 Old Broad Street) 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 125 Old Broad Street) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a

percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to 125 Old Broad Street a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related 125 Old Broad Street Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "*GP-Related Recontribution Amount*") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related 125 Old Broad Street 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 125 Old Broad Street Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related 125 Old Broad Street Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related 125 Old Broad Street Investment, all GP-Related 125 Old Broad Street Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related 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 General Partner, 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 Partnership'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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner's and Withdrawn Partner's GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner's Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the 125 Old Broad Street Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's pro rata share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the 125 Old Broad Street Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of the 125 Old Broad Street Partnership Agreement.

- (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 General Partner'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 Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner'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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Reconstitution Amount initially requested from such Partner or Withdrawn Partner in respect of such default.

- (B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 Reconstitution Amount any amounts otherwise payable to the GP-Related 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Reconstitution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Reconstitution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.
- (C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the 125 Old Broad Street Partnership Agreement) on GP-Related 125 Old Broad Street 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 GP-Related 125 Old Broad Street 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 GP-Related 125 Old Broad Street Investment (the “*Subject Investment*”) that have been reduced under the 125 Old Broad Street Partnership 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 or her 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 125 Old Broad Street) 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 125 Old Broad Street) 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 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 or her 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 125 Old Broad Street Partnership 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 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 GP-Related 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 GP-Related 125 Old Broad Street Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last GP-Related 125 Old Broad Street Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related 125 Old Broad Street Investments;

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- (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 125 Old Broad Street Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her pro rata share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners. (a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any

estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an “*Estate Planning Vehicle*”). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner ’ s Interest .

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the

requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner 's GP-Related Partner Interest .

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner’s GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner’s GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner’s Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner’s Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner’s GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner’s Settlement Date, (i) determine and allocate to the Withdrawn Partner’s GP-Related Capital Accounts such Withdrawn Partner’s allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner’s Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner's GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "*Liquidator*"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable, (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment 125 Old Broad Street Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment 125 Old Broad Street 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 Partner Interests or the GP-Related 125 Old Broad Street Interest.

(ii) Each Partner (other than the Cayman GP), severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership's direct or indirect capital contributions to 125 Old Broad Street, in respect of the Capital Commitment 125 Old Broad Street Interest, if any, and the related Capital Commitment 125 Old Broad Street Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner's Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership's portion of the Capital Commitment 125 Old Broad Street Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner's Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners

that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank *pari passu* with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner’s interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner’s interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner’s Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited

Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or 125 Old Broad Street (a “*Capital Commitment Disposable Investment*”), at the election of the General Partner each Partner’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 Partner’s “*Capital Commitment Class B Interest*”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “*Capital Commitment Class A Interest*”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to 125 Old Broad Street all or a portion of a Giveback Amount with respect to the Capital Commitment 125 Old Broad Street Interest (the amount of any such obligation of the Partnership being herein called a “*Capital Commitment Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment 125 Old Broad Street Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Partner’s pro rata share of prior distributions in connection with (a) the Capital Commitment 125 Old Broad Street 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 125 Old Broad Street Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

- (B) Any Partner’s failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner’s obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of 125 Old Broad Street) in valuing investments of 125 Old Broad Street or, in the case of investments not held by 125 Old Broad Street, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership’s execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Partner’s Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner’s pro rata share of such Capital Commitment Investment (the “*Retained Portion*”) and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days’ notice to distribute such Retained Portion to such Partner. Such Partner’s Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership’s disposition of other Partners’ pro rata shares of such Capital Commitment Investment; provided, that such Partner’s Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its pro rata share of a Capital Commitment Investment (as measured by such Partner’s Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a “*Capital Commitment Special Distribution*”). Such Partner’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.

WITHDRAWAL; ADMISSION OF NEW PARTNERSSection 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply pro rata against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the “*Adjustment Amount*”) equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner’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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner’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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner’s Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner’s Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner’s Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner’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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner’s Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner’s Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the pro rata portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another

Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("*Transfer*") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “Winding Up Event.”

Section 9.2. Final Distribution.

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

(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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her 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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the 125 Old Broad Street Partnership Agreement, (x) the limited partners in 125 Old Broad Street shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the 125 Old Broad Street Partnership Agreement) and (y) the amendment of the provisions of

Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in in paragraph 9.2.8(b) of the 125 Old Broad Street Partnership Agreement), shall be effective against such limited partners only with the Limited Partner Consent (as such term is used in the 125 Old Broad Street Partnership Agreement). Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BLACKSTONE OBS L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BLACKSTONE OBS LTD.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

[Blackstone OBS Associates L.P. LPA]

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Bryony Robottom

Name: Bryony Robottom

[Blackstone OBS Associates L.P. LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BLACKSTONE EMA II L.L.C.****AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT**

Dated as of October 21, 2014

THE LIMITED LIABILITY COMPANY INTERESTS (THE “INTERESTS”) OF BLACKSTONE EMA II L.L.C. (THE “COMPANY”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE EMA II L.L.C.

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT, dated as of October 21, 2014 of Blackstone EMA II L.L.C., a Delaware limited liability company (the “*Company*”), by and between Blackstone Holdings III L.P., a Québec *société en commandite* (the “*Managing Member*” or “*Holdings*”), as managing member, and the members listed in the books and records of the Company, as members.

WITNESSETH

WHEREAS, Blackstone EMA II L.L.C. was formed as a Delaware limited liability company pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on May 7, 2014;

WHEREAS, the Managing Member entered into a Limited Liability Company Agreement dated as of May 7, 2014 (the “*Original Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the Original Agreement in its entirety as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this 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 of the BEP II Partnership Agreement or any other “Alternative Investment Vehicle” (as defined in any other BEP II Agreements).

“ *Applicable Collateral Percentage*, ” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“ *BCE Agreement* ” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“ *BCE Investment* ” means any direct or indirect investment by any Blackstone Collateral Entity.

“ *BCOM* ” is the collective reference to (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 VI* ” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P. and Blackstone Capital Partners VII.2 L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEMA II*” means Blackstone Energy Management Associates II L.L.C., a Delaware limited liability company and the general partner of BEP II.

“*BEMA II Agreement*” means the Limited Liability Company Agreement of Blackstone Energy Management Associates II L.L.C., dated as of May 7, 2014, as it may be amended, supplemented or otherwise modified from time to time.

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II Agreements*” is the collective reference to the BEP II Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) of the definition of “BEP II.”

“*BEP II Partnership Agreement*” means the Amended and Restated Agreements of Limited Partnership of Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., dated as of the respective dates set forth therein, as each may be amended, supplemented, restated or otherwise modified from time to time.

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 Managing Member (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate

Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Capital Commitment*” has the meaning set forth in the BEP II Partnership Agreement.

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any Alternative Vehicles, feeder vehicles or

subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone's side-by-side or additional general partner investments relating thereto).

"*BREP VII*" means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*" means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 Asia*" is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

"*BREP Europe IV*" is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P. and Blackstone Real Estate Partners Europe IV.2 L.P., each a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreements for the partnerships referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreements for the partnerships referred to in clause (i) above.

"*BTO*" shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited

partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York.

“*Capital Commitment BEP II Commitment*” means the Capital Commitment (as defined in the BEP II Partnership Agreement), if any, of the Company to BEP II that relates solely to the Capital Commitment BEP II Interest, if any.

“*Capital Commitment BEP II Interest*” means the Interest (as defined in the BEP II Partnership Agreement), if any, of the Company as a capital partner (and, if applicable, a limited partner and/or a general partner) of BEP II.

“*Capital Commitment BEP II Investment*” means the Company’s interest in a specific investment of BEP II held by the Company through the Capital Commitment BEP II Interest.

“*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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 BEP II Interest, if any, 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)(i).

“ *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 BEP II Investment, but shall exclude any GP-Related 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) immediately prior to dissolution.

“ *Capital Commitment Member Interest* ” means a Member’s interest in the Company with respect to the Capital Commitment BEP II 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)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *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, including, without limitation, any such commitment that may be set forth in such Member’s Commitment Agreement or SMD Agreement, if any.

“ *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* ” means (i) “Carried Interest Distributions,” as defined in the BEP II Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to any BEP II 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 it determines in good faith is appropriate).

“ *Carried Interest Give Back Percentage* ” means, 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 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 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, partners or other equity owners of the Company or 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 any of its Affiliates or (z) such Member’s committing to or engaging in any conduct or behavior

that is or may be harmful to the Company or any of its Affiliates 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 any of its Affiliates; (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 business of the Company and its Affiliates or (B) the business of the Company and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“*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 BEP II, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount,” as defined in Article One of the BEP II Partnership Agreement, and any other clawback amount payable to the limited partners of BEP II or to BEP II pursuant to any BEP II Agreement, as applicable.

“*Clawback Provisions*” means paragraph 9.2.8 of the BEP II Partnership Agreement and any other similar provisions in any other BEP 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 means, where appropriate, the corresponding provision in any successor statute.

“ *Commitment Agreement* ” means the agreement between the Company or an Affiliate thereof and a Member, pursuant to which such Member undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Company and the relevant Member.

“ *Company* ” means Blackstone EMA II L.L.C., a Delaware limited liability company.

“ *Company Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Company Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 or other equity 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 3.6(a).

“ *Deceased Member* ” means 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* ” means the lower of (i) the sum of (a) the Prime Rate 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(a).

“ *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* ” means 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* ” means 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).

“ *Firm Collateral Realization* ” has the meaning set forth in Section 4.1(d)(v)(B).

“ *Fiscal Year* ” means 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 BEMA II Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *Giveback Amount* ” means the aggregate of the “Investment Specific Giveback Amount” and “Other Giveback Amount,” as such terms are defined in the BEP II Partnership Agreement.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the BEP II Partnership Agreement and any other similar provisions in any other BEP II Agreement existing heretofore or hereafter entered into.

“ *GP-Related BEP II Interest* ” means the interest held by the Company in BEP II in the Company’s capacity as indirect general partner of BEP II, excluding any Capital Commitment BEP II Interest.

“ *GP-Related BEMA II Interest* ” means the interest of the Company as the sole member of BEMA II.

“ *GP-Related BEP II Investment* ” means the Company’s indirect interest in BEMA

II's indirect interest in an Investment (for purposes of this definition, as defined in the BEP II Partnership Agreement) in BEMA II's capacity as the general partner of BEP II, but does not include any Capital Commitment Investment.

"*GP-Related Capital Account*" has the meaning set forth in Section 5.2(a).

"*GP-Related Capital Contributions*" has the meaning set forth in Section 4.1(a).

"*GP-Related Class A Interest*" has the meaning set forth in Section 5.8(a)(ii).

"*GP-Related Class B Interest*" has the meaning set forth in Section 5.8(a)(ii).

"*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, without limitation, any such commitment that may be set forth in such Member's Commitment Agreement or SMD Agreement, if any.

"*GP-Related Defaulting Party*" has the meaning set forth in Section 5.8(d)(ii)(A).

"*GP-Related Deficiency Contribution*" has the meaning set forth in Section 5.8(d)(ii)(A).

"*GP-Related Disposable Investment*" has the meaning set forth in Section 5.8(a)(ii).

"*GP-Related Giveback Amount*" has the meaning set forth in Section 5.8(d)(i)(A).

"*GP-Related Investment*" means any investment (direct or indirect) of the Company in respect of the Company's GP-Related BEMA II Interest (including, without limitation, any GP-Related BEP II Investment, but excluding any Capital Commitment 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 BEMA II 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 (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means 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)(A).

“ *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 BEP II 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 BEP II Investment if BEP 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 BEP II to the Company (indirectly through the general partner of BEP II) pursuant to any BEP II Agreement with respect to such GP-Related BEP II Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than 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)).

“ *GSO Fund* ” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“ *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.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Interest*” means a Member’s interest in the Company, including any interest that is 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 of such Member in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Member in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities 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 Regular Member*” means any Regular Member so designated at the time of its admission 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).

“*Lender or Guarantor*” means Blackstone Holdings I L.P., 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 or other interests in Blackstone Collateral Entities.

“*Liquidator*” has the meaning set forth in Section 9.1(b).

“*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 5.8(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 and the Regular Members 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 and the Regular Members but excluding Nonvoting Special Members) on the vote date.

“*Managing Member*” means Blackstone Holdings III L.P. and any person admitted to the Company as an additional or substitute managing member of the Company in accordance with the provisions of this Agreement (until such time as such person ceases to be a managing member of the Company as provided herein or in the LLC Act).

“*Member*” means any person who is a member of the Company, whether a Managing Member or a Regular Member in whatsoever Member Category.

“*Member Category*” means the Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“*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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means BEMA 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Member or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Blackstone Collateral Entities (other than the Company) to such Member.

“ *Parallel Fund* ” means any additional collective investment vehicle (or other similar arrangement) formed pursuant to paragraph 2.8 of the BEP II 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* ” means any person who is shown on the books and records of the Company as a Regular Member of the Company, including any Special Member and any Nonvoting 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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Member* ” means 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Members, pursuant to which each such 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 obligation (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)(viii)(B).

“ *Special Member* ” means any of the persons shown in the books and records of the Company as a Special Member and any person admitted to the Company as an additional Special Member 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 Member*” has the meaning set forth in Section 4.1(d)(iv)(A).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Member, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Regular Member substantially to perform the services required of such Regular Member (in its capacity as such or in any other capacity with respect to any Affiliate of the Company) 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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).

“*Unallocated Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*U.S.*” means the United States of America.

“*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 the Withdrawal from the Company of a Withdrawn Member.

“ *Withdrawn Member* ” means a Regular Member whose GP-Related Member Interest or Capital Commitment Member 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Member and Regular Members. The Members may be Managing Members or Regular Members. The Managing Member as of the date hereof is Blackstone Holdings III L.P. The Regular Members shall be as shown on the books and records of the Company. The books and records of the Company contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Member (including, without limitation, the Managing 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 Member (including, without limitation, the Managing 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 (including, without limitation, the Managing Member) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Members (including, without limitation, the Managing Member) as modified from time to time, the admission of additional Members, the 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/or a Capital Commitment Member Interest.

Section 2.2. Formation; Name ; Foreign Jurisdictions. The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall conduct its activities on and after the date hereof under the name of Blackstone EMA II 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, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the LLC Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Company shall be, directly or indirectly through subsidiaries or Affiliates:

- (i) to serve as the sole member of BEMA II and perform the functions of a member of BEMA II specified in the BEMA II Agreement and to invest in GP-Related Investments;
- (ii) to serve as, and hold the Capital Commitment BEP II Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BEP II (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BEP II (including any Alternative Vehicle and any Parallel Fund) specified in the BEP II Agreements;
- (iii) to make the Blackstone Capital Commitment or a portion thereof, either directly or indirectly through BEMA II or another entity;
- (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, restated or otherwise modified from time to time, of any such partnership;

(v) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(vi) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BEMA II and BEP II (including any Alternative Vehicle and any Parallel Fund)), including, without limitation, in connection with any action referred to in any of clauses (i) through (v) above;

(vii) 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 BEMA II Agreement, the BEP II Agreements, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iv) or (v) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(viii) any other lawful purpose; and

(ix) 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 partner 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 partner 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;

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- (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 or 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 and other applicable law.

Section 2.5. Place of Business. The Company shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. 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 Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. 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 Members. The Managing Member shall be the managing member of the Company. The Managing Member may not be removed without its consent. 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. 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.

Section 3.2. Limitations on Regular Members. Except as may be expressly required or permitted by the LLC Act, Regular Members as such shall have no right to, and shall not, take part in the management, conduct or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Regular Members herein or in the LLC Act.

Section 3.3. Member Voting.

(a) 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.

(b) Meetings of the Members may be called only by the Managing Member.

Section 3.4. 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, and the Managing Member shall have full control over the business and affairs of the Company. The Managing Member shall, in the Managing Member's 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 the Managing Member's discretion, subject only to the express terms and conditions of this Agreement.

(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) 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 the sole member of BEMA II on BEMA II's own behalf or in BEMA II's capacity as a general partner, capital partner and/or limited partner of BEP II, or in the Company's capacity as a general partner or limited partner, member or other equity owner of any Company Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Company's obligations under, the BEP II Agreements, including, without limitation, serving as an indirect general partner of BEP II, (ii) to execute and deliver, and to cause BEMA II to perform BEMA II's obligations under the BEP II Agreements, (iii) to execute and deliver, and to perform the Company's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Company Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Company Affiliate*") of which BEMA II or the Company is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Company Affiliate and (iv) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BEMA II Agreement, the BEP II Agreements or any Company Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The Managing Member and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized representative of the Company or 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, on its own behalf, or in its capacity as sole member of BEMA II, on BEMA II's own behalf or in BEMA II's capacity as general partner, capital partner and/or

limited partner of BEP II, or in the Company's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Company Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Company, BEMA II, BEP II or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BEMA II Agreement, the BEP II Agreements and each Company Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BEP II and/or the Company, (III) side letters issued in connection with investments in BEP II on behalf of BEP II and/or the Company and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Company, BEMA II, BEP II or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications 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, BEMA II, BEP II or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications 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, BEMA II, BEP II or any Company Affiliate to qualify to do business in a jurisdiction in which the Company, BEMA II, BEP II or such Company Affiliate 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 the sole member of BEMA II, on BEMA II's own behalf or in BEMA II's capacity as a general partner, capital partner and/or limited partner of BEP II or in the Company's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Company Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Company, BEMA II, BEP II or any Company Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Company, BEMA II, BEP II or any Company Affiliate or any banking facilities or services that may be utilized by the Company, BEMA II, BEP II or any Company Affiliate, and all checks, notes, drafts and other documents of the Company, BEMA II, BEP II or any Company Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when

executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the Managing Member, the Company, BEMA II, BEP II or any Company Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the Managing Member) in this Section 3.4(d) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member.

Section 3.5. Responsibilities of Members.

(a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member (other than a Special Member) shall devote substantially all his or her 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.

Section 3.6. 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. (i) 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, for purposes of this Section 3.6, "*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 3.6(b) 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 3.6(b), 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(b). The Managing Member shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Company's obligations hereunder are not intended to render the Company as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BEP II and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BEP II; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by BEP II (only to the extent the foregoing sources are exhausted).

(B) The Company's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from BEP II and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Company (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by BEP II and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Members that the Company shall have a subrogation claim against BEP II and/or such portfolio entity in respect of such advancement or payments. The Managing Member and the Company shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the Managing Member may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Regular Members .

(a) Each Regular 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 Regular Member is acquiring each of such Regular Member's Interests for such Regular 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 Regular 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 Member represents and warrants that such Regular Member understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Regular Member must bear the economic risk of an investment in the Company for an indefinite period of time. Each Regular Member represents that such Regular Member has such knowledge and experience in financial and business matters that such Regular Member is capable of evaluating the merits and risks of an investment in the Company, and that such Regular Member is able to bear the economic risk of such investment. Each Regular Member represents that such Regular Member's overall commitment to the Company and other

investments which are not readily marketable is not disproportionate to the Regular Member's net worth and the Regular Member has no need for liquidity in the Regular Member's investment in Interests. Each Regular Member represents that to the full satisfaction of the Regular Member, the Regular Member has been furnished any materials that such Regular 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 Member represents that the Regular Member has consulted to the extent deemed appropriate by the Regular Member with the Regular 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 Regular Member.

(b) Each 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.

Section 3.8. Tax Representation. Each Regular Member certifies that (A) if the Regular Member is a United States person (as defined in the Code) (x) (i) the Regular 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 Regular Member will complete and return a W-9 and (y) (i) the Regular Member is a United States person (as defined in the Code) and (ii) the Regular Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Regular 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("W-8IMY"), or otherwise is correct and (ii) the Regular Member will complete and return the applicable IRS form, including but not limited to a W-8BEN, W-8BEN-E or W-8IMY and (y) (i) the Regular Member is not a United States person (as defined in the Code) and (ii) the Regular Member will notify the Company within 60 days of any change of such status. The Regular 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.

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Members. (a) Each Member shall 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 BEMA II in respect of the GP-Related BEMA II Interest to fund BEMA II’s capital contribution with respect to any GP-Related BEP II Investment and as are otherwise determined by the Managing Member from time to time or as may be set forth in such Regular Member’s Commitment Agreement or SMD Agreement, if any, or otherwise; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Members based upon each 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. Regular 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 Regular Member’s GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Managing Member and any Regular Member may agree from time to time that such Regular Member shall make an additional GP-Related Capital Contribution to the Company; provided further, that each Investor Regular 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 related to the GP-Related BEP II Investment.

(b) 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 who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) 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 but excluding any Members who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Company in installments, in each case on terms determined by the Managing Member.

(c) 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, subject to Section 5.10.

(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 any Managing Member (including, without limitation, the Managing

Member) and each Member Category (such withheld percentage constituting a Managing Member's and such Member Category's "*Holdback Percentage*"). The applicable Holdback Percentages initially shall be 0% for any Managing Member, 15% for Existing Members (other than any Managing Member), 21% for Retaining Withdrawn Members (other than any Managing Member) and 24% for Deceased Members (the "*Initial Holdback Percentages*"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any Managing Member (including, without limitation, the Managing Member) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his or her 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 or her 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 21%. 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 Managing Member 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 and the Managing Member (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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 such Subject Member's Member Category; provided further, that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in such Member's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of such Subject Member's successors or assigns (including such Subject Member's estate or heirs) who at the time of such vote holds the GP-Related Member Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each of the Regular Members and the Managing Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Member's interest in the Company. Such vote may be cast by any such 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 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 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 or her Holdback obligation in respect of his or her 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 or she was a Member), to the extent his or her 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, granting a security interest or otherwise making available to the Managing Member, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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/partners 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 Managing Member 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 as is 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 or her Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Regular 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 BEP 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) 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 or her 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 or her 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 or her 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 the applicable category 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 or her Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or her 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 valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in 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 ten (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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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.

Section 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.

Section 4.3. Withdrawals of Capital. No Member may withdraw capital related to such Member's GP-Related Member Interests 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.

PARTICIPATION IN PROFITS AND LOSSES

Section 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 BEMA II 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 federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from 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 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 Treasury Regulations 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

and Affiliates of the Company shall be allocated among the Company 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 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.

Section 5.2. GP-Related 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 of the Company related to the Company's GP-Related BEMA II Interest and the GP-Related Net Income (Loss) of the Company (each a "*GP-Related Capital Account*").

(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 with respect to such Member or Members' GP-Related Member Interests or a distribution by the Company to one or more of the Members with

respect to such Member or Members' GP-Related Member Interests, 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 GP-Related BEP II 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 4.2; 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 (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.

Section 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; provided however, 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 as the Managing Member shall determine. 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 a "*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 the 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.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), 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 BEP II and allocated to the Company with respect to its *pro rata* share thereof (based on capital contributions made by the Company indirectly to BEP II with respect to the GP-Related BEMA II Interest) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BEP II and (ii) GP-Related Net Loss relating to realized losses suffered by BEP II and allocated indirectly to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including a Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Members shall remain Members for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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).

(d) To the extent the Company has any GP-Related Net Income (Loss) for any accounting period unrelated to BEP II, 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.

(e) The Managing Member may authorize from time to time advances to Members (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the Managing Member may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the Managing Member deems reasonably necessary for this purpose.

Section 5.5. Liability of Member s. 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 Section 4.1(d) or Section 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' GP-Related Member Interests relating to GP-Related BEP 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 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) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members with respect to such Members' GP-Related Member Interests 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 Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BEP II 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 Member Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Member Interests, a GP-Related Member Interest attributable to the GP-Related Disposable Investment (a Member’s “*GP-Related Class B Interest*”), and a GP-Related Member 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 BEP II) 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 BEP II) 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 GP-Related 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 and other 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 GP-Related 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 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 or her 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 Regular 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 BEMA II is obligated under the Clawback Provisions or Giveback Provisions to contribute to BEP II a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) and the Company is obligated to contribute any such amount to BEMA II in respect of the Company's GP-Related BEMA II Interest (the amount of any such obligation of the Company with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the Managing Member shall call for such amounts as are necessary to satisfy such obligations of the Company 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 Managing Member, 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 a GP-Related Giveback Amount) (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 BEP II 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 BEP II 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 BEP II Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BEP II Investment, all GP-Related BEP II Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his or her 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 Managing Member, 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 and/or the GP-Related Giveback Amount exceeds his or her 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 Managing Member shall specify each Member’s and Withdrawn Member’s GP-Related Recontribution Amount. Prior to such time, the Managing Member may, in its discretion (but shall be under no obligation to), provide notice that in the Managing Member’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 part of 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 Managing Member’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 Managing Member 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 (or an Other Fund GP)

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 twenty (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.

(B) 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 Managing Member 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 Managing member may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Managing Member 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 Managing Member, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Managing Member shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(C) 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 judgment, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Net Losses (as defined in the BEP II Agreements) on Writedowns and Losses (each as defined in the BEP II Agreements) on GP-Related BEP 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 GP-Related BEP 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 Company is making Carried Interest distributions in connection with a GP-Related BEP II Investment (the “*Subject Investment*”) that have been reduced under any BEP II 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 or her 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 BEP 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 BEP 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 or her 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 BEP 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 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 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 BEP II Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related BEP II Investment with respect to which Carried Interest distributions were made), based on such Member’s Carried Interest Sharing Percentage in such GP-Related BEP 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

(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 Amount as provided in the BEP II Agreements.

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.

Section 5.10. Tax Capital Accounts; Tax Allocations .

(a) For 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 are 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 Treasury Regulations thereunder.

(b) 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. 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

Treasury 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the Managing Member in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Members within the meaning of the Code and the Treasury Regulations.

(c) 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 the other provisions of this Section 5.10; provided, that that the Managing Member may in its sole discretion make such allocations for tax purposes as it determines are 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 Treasury Regulations thereunder.

ARTICLE VI

ADDITIONAL PARTNERS; WITHDRAWAL OF PARTNERS; SATISFACTION AND DISCHARGE OF PARTNERSHIP 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 or substitute persons into the Company as Managing Members or Regular Members. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 Regular Member, the Managing Member shall designate that such Regular Member shall not have such voting rights (any such Regular 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. If Blackstone or another or subsequent holder of an Investor Note approved by the Managing Member for purposes of this Section 6.1(a) shall foreclose upon a Regular Member’s Investor Note issued to finance such Regular Member’s purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Regular Member’s Capital Commitment Interests and shall be deemed to have become a Regular Member to such extent. Any Additional Member may have a GP-Related Member Interest or a Capital Commitment Member Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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, if any, 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' Capital Commitment Profit Sharing Percentages as of such date, shall be established by the Managing Member.

(c) An additional Member shall be required to contribute to the Company his or her *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 Section 4.1 and Section 7.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Member, (ii) the execution of an amendment to this Agreement by the Managing Member and the additional Member, as determined by the Managing Member or (iii) the execution by such additional Member of any other writing evidencing the intent of such person to become a substitute or additional Regular Member and to be bound by the terms of this Agreement and such writing being accepted by the Managing Member on behalf of the Company. 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 subject to the prior written consent of the Managing Member. The Managing Member generally intends to permit voluntary Withdrawals 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 Member may Withdraw from the Company with respect to such Member'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 Member's GP-Related Member Interest; provided however, that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with respect to such Member'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 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 Member's GP-Related Member Interest and/or with respect to such Member'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 Member's GP-Related Member Interest and/or with respect to such Member'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 Member's GP-Related Member Interest and/or with respect to such Member'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.

Section 6.3. GP-Related Member Interests Not Transferable.

(a) No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's GP-Related Member Interest without the prior written consent of the Managing Member; provided, that, subject to the LLC Act, 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, subject to the prior written consent of the Managing Member, which shall not be unreasonably withheld, a Regular Member may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such 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 interest transferred (including the obligation to make additional GP-Related Capital Contributions). The Managing Member may at its sole option exercisable at any time require such 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 GP-Related Member Interest shall have any right to be a Managing Member or Regular Member without the prior written consent of the Managing Member (which consent may be given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Member Interest in the Company may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. Managing Member Withdrawal; Transfer of Managing Member 's Interest.

(a) Subject to the LLC Act, the Managing Member may not transfer or assign its interest as a Managing Member in the Company or its right to manage the affairs of the Company, except that the Managing Member may, subject to the LLC Act, with the prior written approval of a Majority in Interest of the Members, admit another person as an additional or substitute Managing Member who makes such representations with respect to itself as the Managing Member deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided however, that the Managing Member may, in its sole discretion, transfer all or part of its interest in the Company to a person who makes such representations with respect to itself as the Managing Member deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the Managing Member in connection with any liquidation, dissolution or reorganization of the Managing Member, and, upon the assumption by such person of liability for all the obligations of the Managing Member under this Agreement, such person shall be admitted as the Managing Member. A person who is so admitted as an additional or substitute Managing Member shall thereby become a Managing Member and shall have the right to manage the affairs of the Company and to vote as a Member to the extent of the interest in the Company so acquired. The Managing Member shall not cease to be the managing 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a Managing Member is not permitted. The Withdrawal of a Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Members, and any one or more of such remaining Members continue the business of the Company (any and all such remaining Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(c), if upon the Withdrawal of a Member there shall be no remaining Regular Members, the Company nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days after the occurrence of such event of 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 Members.

(c) 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 GP-Related Member 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. For purposes of this Section 6.5, the term “*Settlement Date*” means the date as of which a Withdrawn Member's GP-Related Member Interest in the Company 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 GP-Related Member 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 or her 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related 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 with respect to such Withdrawn Member's GP-Related Member Interest, the Managing Member shall, promptly after such Withdrawn Member's Settlement Date, (i) determine and allocate to the Withdrawn Member's GP-Related Capital Accounts 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 related to such Member's GP-Related Member Interest, 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 in the Company, (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)-(p) 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 Section 6.5(i) below; provided, that if the Withdrawn Member was solely a Regular Member (other than a Special Member) on his or her 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 Regular Member (other than a Special Member), upon the settlement of such Withdrawn Member's GP-Related Member Interest in the Company 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 or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Member shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her 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 Regular Member for such purpose (and, if the Managing Member so designates, such Regular 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 have the Company issue to the Withdrawn Member a subordinated promissory note 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 in relation to such Member's GP-Related Member Interest. 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 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 or her 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 or her estate such excess, or to charge the Withdrawn Member or his or her 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 Prime Rate or (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 or her GP-Related Member Interest shall be settled in accordance with paragraphs (a)-(r) of this Section 6.5; provided however, 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 or she has an interest as of his or her 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 or her 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 or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 or her subordinated promissory note, 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. The provisions of this Section 6.5 shall apply to any Investor Regular Member relating to another Regular 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.

(p) (i) The Company will assist a Withdrawn Member or his or her 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 or her estate.

(ii) The Managing Member 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 Managing Member will obtain the prior approval of a Withdrawn Member or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his or her estate or guardian) declines to incur such costs, the Managing Member 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.

(q) 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, consents, ratifications, 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. Termination of the Company. The Managing Member may dissolve the Company 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, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Section 6.5, which provides for allocations to the GP-Related Capital Accounts of the Members and distributions in accordance with the capital account balances of the Members.

Section 6.7. Certain Tax Matters. (a) The Managing Member shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Company, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit

relating to his or her 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 or her 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 Partner (as defined below) shall be authorized to act for, and his or her 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 Partner 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 or she 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 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 Company or the Tax Matters Partner or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Partner or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Partner. 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 Partner*"). 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 Treasury 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

Section 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 and the Capital Commitment BEP II Interest and matters related to the Capital Commitment Member Interests and the Capital Commitment BEP II 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 BEMA II 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 direct or indirect capital contributions to BEP II, in respect of the Capital Commitment BEP II Interest, if any, and the related Capital Commitment BEP II Commitment, if any. No Member shall be obligated to make Capital Commitment-Related Capital Contributions to the Company in an amount in excess of such Member’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, 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 Capital Commitment BEP II Commitment, if any 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 Managing Member 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 Managing Member or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Regular Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Company from such Regular Member with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Regular Member shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Regular 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 Regular 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 Regular Member of such rate upon such Regular Member's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Regular 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 Regular 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.

Section 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-Related Capital Contribution of a Member shall be credited to the appropriate Capital Commitment Capital Account of such Member on the date such Capital Commitment-Related 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 or her 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.

Section 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 Section 7.7 shall be specially allocated to the electing Regular Member.

(c) Notwithstanding the foregoing, the Managing Member may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the Managing Member deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Member's allocable portion of Capital Commitment Net Income received from his or her 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 (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and 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

other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Member pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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-Related 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 any Blackstone Collateral Entity (other than the Company) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Regular 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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

Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the Managing Member 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 or her 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 its sole discretion elects 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 Blackstone. 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 Section 7.4(a).

(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 BEP II (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 the Company is obligated (whether directly or indirectly through BEMA II) under the Giveback Provisions to contribute to BEP II all or a portion of a Giveback Amount with respect to the Capital Commitment BEP II Interest (the amount of any such obligation of the Company being herein called a “*Capital Commitment Giveback Amount*”), the Managing Member shall call for such amounts as are necessary to satisfy such obligation of the Company 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 Managing Member, such an amount of prior distributions by the Company with respect to the Capital Commitment BEP II Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Member’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment BEP II 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 BEP II Investments other than the one giving rise to such obligation and (c) all Capital Commitment BEP II Investments, if the Giveback Amount is relating to an Other Giveback Amount (as defined in the BEP II 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 Managing Member may, in 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 Managing Member 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 Managing Member 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 Managing Member may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member hereby appoints the Managing Member 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 Managing Member 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.

Section 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 BEMA II (or any other Affiliate of the Company that is a direct or indirect general partner of BEP II) in valuing investments of BEP II or, in the case of investments not held by BEP II, 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 unless otherwise determined by the Managing Member in its sole discretion.

Section 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.

Section 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

Section 8.1. Regular 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 Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Regular Member may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Regular Member prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Regular Member is no longer an employee or officer of Blackstone, 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 Regular Member's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Regular Member shall apply *pro rata* against all of such Regular Member's Investor Notes; provided, that such Regular Member may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Regular Member. 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 Regular Member ceasing to be an officer or employee of the Managing Member or any of its Affiliates, other than as a result of such Regular Member dying or suffering a Total Disability, such Regular 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 Regular 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 shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Regular 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 or her 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 Managing Member 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 or her related Investor Note shall be payable in full. If neither the Withdrawn Member nor the Company nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Member shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Member in his or her 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 or her option, and the Managing Member 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 Regular Member, such Regular Member shall thereupon cease to be a Member with respect to such Regular Member's Capital Commitment Member Interest. If such a Final Event shall occur, no Successor in Interest to any such Regular 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 Regular 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 Regular 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 or her 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 Regular 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 Managing Member knows or has reason to know of such Regular 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, personal representative or other Successor in Interest, 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 Regular Member, if the estate, personal representative or other Successor in Interest of such Regular Member so requests in writing

within 180 days of the Regular Member's death or ceasing to be an employee or member (directly or indirectly) of the Managing Member 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 Regular 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 Regular Member shall be required to include appropriate provisions in his or her 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, personal representative or other Successor in Interest of such Regular Member, within 30 days of the first date on which the Managing Member knows or has reason to know of such Regular Member's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Regular 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 or her ceasing to be an employee or officer of the Managing Member 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 or her 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 Regular Member or another Affiliate of the Managing Member) 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 Managing Member 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 Managing Member's designee(s), Blackstone 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 (excluding any of the foregoing who is an executive officer of Blackstone). 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 Regular 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 Regular 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 Regular 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 Regular Members of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Regular Members; provided, that a Regular Member shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her 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 or her 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 or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; 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) 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 or her 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 or her estate.

(i) The Managing Member 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 Managing Member will obtain the prior approval of a Withdrawn Member or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his or her estate or guardian) declines to incur such costs, the Managing Member 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) To the extent permitted by applicable law, each Regular Member hereby irrevocably appoints each Managing Member as such Regular Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Regular Member's name, place and stead, to make, execute, sign and file, on behalf of such Regular Member, any and all agreements, instruments, consents, ratifications, 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 Regular Member or the Company or the exercise of any right of such Regular 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 Regular Member for any reason and shall not be affected by the death, disability or incapacity of such Regular Member.

Section 8.2. Transfer of Regular Member's Capital Commitment Interest. Without the prior written consent of the Managing Member, no Regular Member or former Regular 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 (i) Transfers as permitted in Section 8.1 above and subject to the LLC Act, in the case of the purchase of a Withdrawn Member's or deceased or Totally Disabled Regular Member's Capital Commitment Interests, (ii) with the prior written consent of the Managing Member, which shall not be unreasonably withheld, Transfers by a Regular Member to another Regular Member of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the Managing Member, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the Managing Member, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Regular Member's Capital Commitment Member Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the Managing Member to condition any Transfer

of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the Managing Member in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Company). 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 interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). The Managing Member may at its sole option exercisable at any time require such Estate Planning Vehicle to Withdraw from the Company on the terms of Section 8.1 and Article VI. No person acquiring an interest in the Company pursuant to this Section 8.2 shall become a Regular 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 Regular Member pursuant to Section 6.1. A Regular 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 membership interest in the Company in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no 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

Section 9.1. Dissolution. The Company shall be dissolved and subsequently terminated:

- (i) pursuant to Section 6.6; or
- (ii) upon the expiration of the term of the Company.

(b) When the Company is dissolved, the business and property of the Company shall be wound up and liquidated by the Managing Member or, in the event of the unavailability of the Managing Member, such Regular Member or other liquidating trustee as shall be named by the a Majority in Interest of the Members (excluding Nonvoting Special Members) (the Managing Member, such Regular Member or other liquidating trustee, as the case may be, being hereinafter referred to as the "Liquidator").

Section 9.2. Final Distribution.

(a) Within 120 calendar days after the effective date of dissolution of the Company, the assets of the Company 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 Company;

-
- (ii) to pay all creditors of the Company, other than Members, either by the payment thereof or the making of reasonable provision therefor;
 - (iii) to establish reserves, in amounts established by the Managing Member or the Liquidator, to meet other liabilities of the Company; and
 - (iv) to pay, in accordance with the terms agreed among them and otherwise on a *pro rata* basis, all creditors of the Company that are Members, either by the payment thereof or the making of reasonable provision therefor.

(b) The remaining assets of the Company shall be applied and distributed among the Members as follows:

(i) With respect to each Member's GP-Related Member Interest, the remaining assets of the Company shall be applied and distributed to such Member 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related Capital Accounts on liquidation, all unrealized gains, losses and accrued income and deductions of the Company shall be treated as realized and recognized immediately before the date of distribution; 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.

Section 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 or her *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

Section 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, New York U.S.A. 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Company acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Company understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The Managing Member may, or may cause the Company to, enter or has previously entered, into separate letter agreements with individual Members with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. 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.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 and Article 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 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 standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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, solely to the extent required by the BEP II Agreements, (x) the limited partners in BEP II shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and

the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BEP II Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BEP II Partnership Agreement), shall be effective against such limited partners only with the Combined Limited Partner Consent (as such term is used in the BEP II Partnership Agreement).

Section 10.7. Member's Will. Each Regular Member and Withdrawn Member shall include in his or her will a provision 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 Regular Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Regular 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 Regular Member or Withdrawn Member fails to comply with the provisions of this Section 10.7 after the Company has notified such Regular Member or Withdrawn Member of his or her 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 Regular Member or Withdrawn Member until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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 however, 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 Regulations 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 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.

Section 10.9. 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 Member at its address or telecopy number shown in the books and records of the Company or, if given to the

Managing Member or the Company, at the address or telecopy number of the Company 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 Member or the Managing Member or the Company specified as aforesaid.

Section 10.10. 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 10.11. 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 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.

Section 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more 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.P., its general partner

By: Blackstone Holdings III GP Management L.L.C., its
general partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[BEMA II L.L.C. – Amended and Restated Limited Liability Company Agreement – Signature Page]

HIGHLY CONFIDENTIAL & TRADE SECRET

BLACKSTONE LIBERTY PLACE ASSOCIATES L.P.

SECOND AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP

Dated as of February 9, 2015

THE LIMITED PARTNERSHIP INTERESTS (THE “INTERESTS”) OF BLACKSTONE LIBERTY PLACE ASSOCIATES L.P. (THE “PARTNERSHIP”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE LIBERTY PLACE ASSOCIATES L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP, dated as of February 9, 2015 of Blackstone Liberty Place Associates L.P., a Delaware limited partnership (the “*Partnership*”), by and between Blackstone Liberty Place L.L.C., a Delaware limited liability company (the “*General Partner*”), Kathleen McCarthy (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, Blackstone Liberty Place Associates L.P. was formed as a Delaware limited partnership on January 27, 2015;

WHEREAS, BPP Core Asia-NQ L.L.C., a Delaware limited liability company (the “*Initial General Partner*”), and the Initial Limited Partner entered into a Limited Partnership Agreement dated as of January 27, 2015 (the “*Original Agreement*”);

WHEREAS, the General Partner, the Initial General Partner and the Initial Limited Partner amended and restated the Original Agreement pursuant to an Amended and Restated Limited Partnership Agreement dated as of January 28, 2015 (the “*First Amended and Restated Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the First Amended and Restated Agreement in its entirety as hereinafter set forth, including to reflect the withdrawal of the Initial Limited Partner;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the First Amended and Restated Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“Agreement” means this Second Amended and Restated Agreement of Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“Applicable Collateral Percentage,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“BCE Agreement” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“BCE Investment” means any direct or indirect investment by any Blackstone Collateral Entity.

“BCOM” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family

Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII* ” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia* ” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“ *BREP Europe IV* ” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“ *BTO* ” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“ *Business Day* ” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States.

“ *Capital Commitment Capital Account* ” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to

which are credited such Partner's contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

"*Capital Commitment Deficiency Contribution*" has the meaning specified in Section 7.4(g)(ii)(A).

"*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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment Liberty Place Interest, if any, 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 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)(i).

"*Capital Commitment Interest*" means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

"*Capital Commitment Investment*" means any Capital Commitment Liberty Place Investment, but shall exclude any GP-Related Investment.

"*Capital Commitment Liberty Place Commitment*" means the Capital Commitment (as defined in the Liberty Place Partnership Agreement), if any, of the Partnership to Liberty Place that relates solely to the Capital Commitment Liberty Place Interest, if any.

“*Capital Commitment Liberty Place Interest*” means the Interest (as defined in the Liberty Place Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of Liberty Place.

“*Capital Commitment Liberty Place Investment*” means the Partnership’s interest in a specific investment of Liberty Place held by the Partnership through the Capital Commitment Liberty Place Interest.

“*Capital Commitment Liquidating Share*” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“*Capital Commitment Net Income (Loss)*” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“*Capital Commitment Partner Interest*” means a Partner’s limited partnership interest in the Partnership with respect to the Capital Commitment Liberty Place Interest.

“*Capital Commitment Profit Sharing Percentage*” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“*Capital Commitment Recontribution Amount*” has the meaning set forth in Section 7.4(g)(i).

“*Capital Commitment-Related Capital Contributions*” has the meaning set forth in Section 7.1(a)(ii).

“*Capital Commitment-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the Liberty Place Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to the Liberty Place Partnership Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 any of its Affiliates; (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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

"*CC Carried Interest*" means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to "carried interest", including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of "carried interest" received by an Affiliate of the Partnership. "*CC Carried Interest*" includes any amount initially received by an Affiliate of the Partnership from any fund (including Liberty Place, 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").

"*Clawback Adjustment Amount*" has the meaning set forth in Section 5.8(e).

"*Clawback Amount*" means the "Clawback Amount" as defined in Article One of the Liberty Place Partnership Agreement, and any other clawback amount payable pursuant to the Liberty Place Partnership Agreement, as applicable.

"*Clawback Provisions*" means paragraph 9.2.8 of the Liberty Place Partnership Agreement.

"*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 means, where appropriate, the corresponding provision in any successor statute.

"*Commitment Agreement*" means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

"*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 or other equity 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 3.6(a).

“ *Deceased Partner* ” means 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 Interest Rate* ” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“ *Delaware Arbitration Act* ” has the meaning set forth in Section 10.1(d).

“ *Disabling Event* ” means (a) the Withdrawal of the General Partner, other than in accordance with Section 6.4(a) or (b) the 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 a proceeding described in clause (iv) or (vi) 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.

“ *Estate Planning Vehicle* ” has the meaning set forth in Section 6.3(a).

“ *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 Partner* ” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“ *Final Event* ” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner.

“ *Firm Advances* ” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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).

“*First Amended and Restated Agreement*” has the meaning set forth in the recitals.

“*Fiscal Year*” means a calendar year, or any other period chosen by the General Partner.

“*Fund GP*” means the Partnership (only with respect to the GP-Related Liberty Place Interest) and the Other Fund GPs.

“*GAAP*” means U.S. generally accepted accounting principles.

“*General Partner*” means Blackstone Liberty Place L.L.C. and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount*” means an “Investment Specific Giveback Amount,” payable by the partners of Liberty Place pursuant to the Giveback Provisions.

“*Giveback Provisions*” means paragraph 3.4.3 of the Liberty Place Partnership Agreement.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related Liberty Place Interest (including, without limitation, any GP-Related Liberty Place Investment but excluding any Capital Commitment Investment).

“*GP-Related Liberty Place Interest*” means the Partnership’s interest held by the Partnership in Liberty Place in the Partnership’s capacity as general partner of Liberty Place, excluding any Capital Commitment Liberty Place Interest.

“*GP-Related Liberty Place Investment*” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the Liberty Place Partnership Agreement) in the Partnership’s capacity as the general partner of Liberty Place, but does not include any Capital Commitment Investment.

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s interest in the Partnership with respect to the GP-Related Liberty Place Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 Liberty Place Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related Liberty Place Investment if Liberty Place’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 Liberty Place to the Partnership (indirectly through the general partner of Liberty Place) pursuant to any Liberty Place Partnership Agreement with respect to such GP-Related Liberty Place Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial General Partner*” has the meaning set forth in the recitals.

“ *Initial Holdback Percentages* ” has the meaning set forth in Section 4.1(d)(i).

“ *Initial Limited Partner* ” means Kathleen McCarthy.

“ *Interest* ” means a Partner’s interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“ *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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“ *Investor Limited Partner* ” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“ *Investor Note* ” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“ *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 Partner* ” has the meaning set forth in Section 4.1(d)(vi).

“ *Lender or Guarantor* ” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“ *Liberty Place* ” means Blackstone Liberty Place Partners L.P., a Delaware limited partnership.

“*Liberty Place Partnership Agreement*” means the Amended and Restated Agreement of Limited Partnership of Liberty Place, dated as of February 9, 2015, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*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 and any Nonvoting Limited Partner.

“*Liquidator*” has the meaning set forth in Section 9.1(b).

“*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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“*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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“*Original Agreement*” has the meaning set forth in the recitals.

“*Other Blackstone Collateral Entity*” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“*Other Fund GPs*” means the General Partner (only with respect to the General Partner’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“*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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“*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*” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“*Partnership*” means Blackstone Liberty Place Associates L.P., a Delaware limited partnership.

“*Partnership Act*” means the Delaware Revised Uniform Limited Partnership Act, 6 *Del. C.* §§ 17-101, *et seq.*, as it may be amended from time to time, and any successor to such statute.

“*Partnership Affiliate*” has the meaning set forth in Section 3.4(c).

“*Partnership Affiliate Governing Agreement*” has the meaning set forth in Section 3.4(c).

“*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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Partner* ” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 as of the date hereof is Blackstone Liberty Place L.L.C. The Limited Partners shall be as shown on the books and records of the Partnership. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing

Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, and the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name; Foreign Jurisdictions. The Partnership is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities on and after the date hereof under the name of Blackstone Liberty Place Associates L.P. The certificate of limited partnership of the Partnership may be amended and/or restated from time to time by the General Partner. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates:

(i) to serve as the general partner of Liberty Place and perform the functions of a general partner of Liberty Place specified in the Liberty Place Partnership Agreement;

(ii) to serve as, and hold the Capital Commitment Liberty Place Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of Liberty Place and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of Liberty Place specified in the Liberty Place Partnership Agreement;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through Liberty Place), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the Liberty Place Partnership Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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 be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be February 9, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The General Partner shall be the general partner of the Partnership. The General Partner may not be removed without its consent.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The 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 those enumerated in Section 2.4, on behalf and in the name of the Partnership. 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of Liberty Place, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the Liberty Place Partnership Agreement, including, without limitation, serving as a general partner of Liberty Place, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the Liberty Place Partnership Agreement or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partner and any other person designated by the General Partner, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the General Partner (within the meaning of the Delaware Limited Liability Company Act, 6 *Del. C.* §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partner 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of Liberty Place, or in the Partnership's capacity as general partner or

limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, Liberty Place or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the Liberty Place Partnership Agreement and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of Liberty Place and/or the Partnership, (III) side letters issued in connection with investments in Liberty Place on behalf of Liberty Place and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, Liberty Place or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Partnership, Liberty Place or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, Liberty Place or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, Liberty Place or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of Liberty Place or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate):

(A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, Liberty Place and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, Liberty Place or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, Liberty Place or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, Liberty Place or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this

Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, Liberty Place or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing Liberty Place and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or Liberty Place; second, by the applicable portfolio entity through which such investment is indirectly held and third, by Liberty Place (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from Liberty Place and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by Liberty Place and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against Liberty Place and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the

Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to

satisfy the Partnership's obligation to make capital contributions to Liberty Place in respect of the GP-Related Liberty Place Interest with respect to any GP-Related Liberty Place Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related Liberty Place Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the General Partner) and each Partner Category (such withheld percentage constituting a General Partner's and such Partner Category's "*Holdback Percentage*"). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the "*Initial Holdback Percentages*"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the General Partner) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the General Partner (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines,

in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the General Partner shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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 General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in 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 thereto ("*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 General Partner 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 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 in the books and records of the Partnership 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 as is 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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

Liberty Place, 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 (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 or her L/C upon (1) the 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 or her 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 the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her 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, the L/C of an L/C Partner 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) (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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or her 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 or other asset 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 or her 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 Partnership), 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners’ GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners’ 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 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. No Partner may withdraw capital related to such Partner’s GP-Related Partner Interests 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) GP-Related 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) “*GP-Related Net Income (Loss)*” from any activity of the Partnership related to the GP-Related Liberty Place Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 Partnership for federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from 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 Partnership that differs from its adjusted tax basis for 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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' 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 Partners' average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related Liberty Place Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related Liberty Place Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the “*GP-Related Profit Sharing Percentage*”) of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner’s GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner’s GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner’s GP-Related 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 GP-Related 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 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 a “*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the General Partner) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners’ 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 General Partner pursuant to Section 5.7.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the General Partner): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by Liberty Place and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to Liberty Place with respect to the GP-Related Liberty Place Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by Liberty Place and (ii) GP-Related Net Loss relating to realized losses suffered by Liberty Place and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to Liberty Place, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related Liberty Place Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by Liberty Place of a portion of a GP-Related Investment is being considered by the Partnership (a “*GP-Related Disposable Investment*”), at the election of the General Partner each Partner’s GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner’s “*GP-Related Class B Interest*”), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner’s “*GP-Related Class A Interest*”). Distributions (including those resulting from a sale, transfer, exchange or other disposition by Liberty Place) 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 Liberty Place) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(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 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 GP-Related 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 federal, New York State and New York City income and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the General Partner; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to Liberty Place a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related Liberty Place Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "*GP-Related Recontribution Amount*") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related Liberty Place 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 Liberty Place Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related Liberty Place Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related Liberty Place Investment, all GP-Related Liberty Place Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related 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 General Partner, 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 Partnership'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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner's and Withdrawn Partner's GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner's Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the Liberty Place Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's *pro rata* share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Liberty Place Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of the Liberty Place Partnership Agreement.

(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 General Partner'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 Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner'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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the General Partner 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 the name of the General Partner, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner’s or Withdrawn Partner’s failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner’s or Withdrawn Partner’s obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the Liberty Place Partnership Agreement) on GP-Related Liberty Place 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 GP-Related Liberty Place 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 GP-Related Liberty Place Investment (the "*Subject Investment*") that have been reduced under the Liberty Place Partnership 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 or her 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 Liberty Place) 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 Liberty Place) 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 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 or her 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 Liberty Place Partnership 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 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 GP-Related 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 GP-Related Liberty Place Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related Liberty Place Investment with respect to which Carried Interest distributions were made), based on such Partner’s Carried Interest Sharing Percentage in such GP-Related Liberty Place 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 Liberty Place Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code

or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner’s Investor Note issued to finance such Limited Partner’s purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner’s Capital Commitment Interests

and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners.

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited

Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) The General Partner may not transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner's GP-Related Partner Interest.

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “*Settlement Date*” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "Retaining Withdrawn Partner") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 JPMorgan Chase Bank, N.A., as its prime rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the

aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such

professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partner) hereby irrevocably appoints the General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such 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 this Section 6.5, including, without limitation, the performance of any obligation of such Partner or the Partnership or the exercise of any right of such 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 Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(b) The General Partner shall cause to be prepared all 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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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" or "partnership representative" (each as defined under the Code), as applicable (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 6.7 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 Partner shall provide to the Partnership copies of each federal, state and local income tax return of such Partner (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 Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment Liberty Place Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment Liberty Place 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 Partner Interests or the GP-Related Liberty Place Interest.

(ii) Each Partner severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to Liberty Place, in respect of the Capital Commitment Liberty Place Interest, if any, and the related Capital Commitment Liberty Place Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment Liberty Place Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the General Partner) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership 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 Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the General Partner shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or Liberty Place (a "*Capital Commitment Disposable Investment*"), at the election of the General Partner each Partner'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 Partner's "*Capital Commitment Class B Interest*"), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner's "*Capital Commitment Class A Interest*"). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to Liberty Place all or a portion of a Giveback Amount with respect to the Capital

Commitment Liberty Place Interest (the amount of any such obligation of the Partnership being herein called a “ *Capital Commitment Giveback Amount* ”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment Liberty Place Interest (the “ *Capital Commitment Recontribution Amount* ”) which equals such Partner’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment Liberty Place 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 Liberty Place Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other

rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the General Partner as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of Liberty Place) in valuing investments of Liberty Place or, in the case of investments not held by Liberty Place, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's *pro rata* share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the

closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' *pro rata* shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises

the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the dissolution of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In

addition, the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners.

All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) Each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer ("*Transfer*") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to

make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be dissolved and subsequently terminated:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

(b) When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner or, in the event of the unavailability of the General Partner, such Limited Partner or other liquidating trustee as shall be named by the a Majority in Interest of the Partners (excluding Nonvoting Limited Partners) (the General Partner, such Limited Partner or other liquidating trustee, as the case may be, being hereinafter referred to as the "Liquidator").

Section 9.2. Final Distribution.

(a) 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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed

to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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.

Section 10.3. 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. In particular, the Partnership has been formed pursuant to the Partnership Act, and the rights and liabilities of the 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, solely to the extent required by the Liberty Place Partnership Agreement, (x) the limited partners in Liberty Place shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Liberty Place Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the Liberty Place Partnership Agreement), shall be effective against such limited partners only with the Limited Partner Consent (as such term is used in the Liberty Place Partnership Agreement).

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BLACKSTONE LIBERTY PLACE L.L.C.

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[Signature Page to Blackstone Liberty Place Associates Second A&R LPA]

INITIAL LIMITED PARTNER:

KATHLEEN MCCARTHY,

As Initial Limited Partner, solely to reflect her Withdrawal from
the Partnership

By: /s/ Kathleen McCarthy

[Signature Page to Blackstone Liberty Place Associates Second A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BPP CORE ASIA ASSOCIATES L.P.****SECOND AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP**

Dated February 16, 2016
Effective as of March 18, 2015

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “*INTERESTS*”) OF BPP CORE ASIA ASSOCIATES L.P. (THE “*PARTNERSHIP*”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BPP CORE ASIA ASSOCIATES L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of March 18, 2015, of BPP Core Asia Associates L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between BPP Core Asia L.L.C., a Delaware limited liability company (“*Delaware GP*”), and BPP Core Asia Ltd., a Cayman Islands exempted company (“*Cayman GP*”), and, together with the Delaware GP, the “*General Partners*” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner entered into an Initial Exempted Limited Partnership Agreement dated June 10, 2014 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of BPP Core Asia Associates L.P.; and

WHEREAS, the Delaware GP and the Initial Limited Partner agreed to amend and restate the Original Agreement to make certain modifications by way of an Amended and Restated Exempted Limited Partnership Agreement dated March 18, 2015 (the “*Existing Agreement*”).

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties March 18, 2015, and hereby amend and restate the Existing Agreement in its entirety with a deemed effective date as between the parties March 18, 2015, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Existing Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may

include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Second Amended and Restated Agreement of Exempted Limited Partnership, 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 Section 2.9 of the BAPP Partnership Agreement or any other “Alternative Vehicle” (as defined in any other BAPP Agreement).

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BAPP*” means (i) Blackstone Asia Property Partners – AD L.P., a Cayman Islands exempted limited partnership and (ii) any Alternative Vehicles (as defined in the BAPP Partnership Agreement).

“*BAPP Agreements*” is the collective reference to the BAPP Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) of the definition of “BAPP.”

“*BAPP Partnership Agreement*” means the Amended and Restated Exempted Limited Partnership Agreement of Blackstone Asia Property Partners – AD L.P., dated February 17, 2015, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited

liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special

Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone's side-by-side or additional general partner investments relating thereto).

"*BREP VII*" means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*" means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*" is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

"*BREP Europe IV*" is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

"*BTO*" shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited

partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C. Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“*Capital Commitment BAPP Commitment*” means the Capital Commitment (as defined in the BAPP Partnership Agreement), if any, of the Partnership to BAPP that relates solely to the Capital Commitment BAPP Interest, if any.

“*Capital Commitment BAPP Interest*” means the Interest (as defined in the BAPP Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP.

“*Capital Commitment BAPP Investment*” means the Partnership’s interest in a specific investment of BAPP held by the Partnership through the Capital Commitment BAPP Interest.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BAPP Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment BAPP Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment BAPP Interest.

“ *Capital Commitment Profit Sharing Percentage* ” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“ *Capital Commitment Recontribution Amount* ” has the meaning set forth in Section 7.4(g)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *Capital Commitment-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“ *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* ” means (i) “Carried Interest Distributions,” as defined in the BAPP Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to any BAPP Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“ *Carried Interest Give Back Percentage* ” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that

is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony (under U.S. law) 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates, or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“*Cayman GP*” means BPP Core Asia Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

“*CC Carried Interest*” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “*CC Carried Interest*” includes any amount initially received by an Affiliate of the Partnership from any fund (including BAPP, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount” as defined in Article One of the BAPP Partnership Agreement, and any other clawback amount payable to the limited partner of BAPP or to BAPP pursuant to any BAPP Agreement, as applicable.

“*Clawback Provisions*” means Section 9.2.8 of the BAPP Partnership Agreement.

“ *Code* ” means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

“ *Commitment Agreement* ” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“ *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 or other equity 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 3.6(a).

“ *Deceased Partner* ” means 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 Interest Rate* ” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“ *Delaware Arbitration Act* ” has the meaning set forth in Section 10.1(d).

“ *Delaware GP* ” means BPP Core Asia L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“ *Disabling Event* ” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) 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.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Agreement*” has the meaning set forth in the recitals.

“*Existing Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“*Firm Advances*” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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*” means a calendar year, or any other period chosen by the General Partner.

“*Fund GP*” means the Partnership (only with respect to the GP-Related BAPP Interest) and the Other Fund GPs.

“*GAAP*” means U.S. generally accepted accounting principles.

“*General Partner*” or “*General Partners*” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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), in each case, subject to the provisions of Section 3.4.

“ *Giveback Amount* ” means an amount,” payable by the limited partner of BAPP pursuant to the Giveback Provisions.

“ *Giveback Provisions* ” means Section 5.2(c) of the BAPP Partnership Agreement and any other similar provisions in any other BAPP Agreement existing heretofore or hereafter entered into.

“ *GP-Related BAPP Interest* ” means the interest held by the Partnership in BAPP in the Partnership’s capacity as general partner of BAPP, excluding any Capital Commitment BAPP Interest.

“ *GP-Related BAPP Investment* ” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the BAPP Partnership Agreement) in the Partnership’s capacity as the general partner of BAPP, but does not include any Capital Commitment Investment.

“ *GP-Related Capital Account* ” has the meaning set forth in Section 5.2(a).

“ *GP-Related Capital Contributions* ” has the meaning set forth in Section 4.1(a).

“ *GP-Related Class A Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Class B Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Commitment* ”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“ *GP-Related Defaulting Party* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Deficiency Contribution* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Disposable Investment* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Giveback Amount* ” has the meaning set forth in Section 5.8(d)(i)(A).

“ *GP-Related Investment* ” means any investment (direct or indirect) of the Partnership in respect of the GP-Related BAPP Interest (including, without limitation, any GP-Related BAPP Investment but excluding any Capital Commitment Investment).

“ *GP-Related Net Income (Loss)* ” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related BAPP Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 BAPP Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related BAPP Investment if BAPP’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 BAPP to the Partnership (indirectly through the general partner of BAPP) pursuant to any BAPP Agreement with respect to such GP-Related BAPP Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund

II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Mapcal Limited.

“*Interest*” means a Partner’s exempted limited partnership interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE

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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“*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 Partner*” has the meaning set forth in Section 4.1(d)(vi).

“*Lender or Guarantor*” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“*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 and any Nonvoting Limited Partner.

“*Liquidator*” has the meaning set forth in Section 6.6.

“*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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“*Partnership*” means BPP Core Asia Associates L.P., an exempted limited partnership registered in the Cayman Islands.

“*Partnership Act*” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“*Partnership Affiliate*” has the meaning set forth in Section 3.4(c).

“*Partnership Affiliate Governing Agreement*” has the meaning set forth in Section 3.4(c).

“*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 General Partner as a “Qualifying Fund.”

“*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).

“*Retained Portion*” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“ *Trust Agreement* ” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *U.S.* ” means the United States of America.

“ *Winding Up Event* ” has the meaning set forth in Section 9.1(a).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner’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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of BPP Core Asia Associates L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2064, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act,

(i) to serve as a general partner of BAPP (including any Alternative Vehicle) and perform the functions of a general partner of BAPP (including any Alternative Vehicle) specified in the BAPP Agreements;

(ii) to serve as, and hold the Capital Commitment BAPP Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP (including any Alternative Vehicle) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP (including any Alternative Vehicle) specified in the BAPP Agreements;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BAPP (including any Alternative Vehicle)), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the BAPP Agreements, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, *provided* , that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place or places within the Cayman Islands as may from time to time be designated by the General Partner.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be March 18, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners,” subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership’s business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided, that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the “General Partner” or “General Partners” in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the “General Partner” or “General Partners” means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners’ discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners’ 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BAPP, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the BAPP Agreements, including, without limitation, serving as a general partner of BAPP, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BAPP Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of BAPP, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, BAPP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BAPP Agreements and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BAPP and/or the Partnership, (III) side letters issued in connection with investments in BAPP on behalf of BAPP and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, BAPP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications of any of the foregoing referred to in (I) through (IV) hereof);

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- (B) the certificates of formation, certificates of limited partnership and/or other organizational documents of BAPP, the Partnership or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
 - (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, BAPP or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, BAPP or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BAPP or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, BAPP and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, BAPP or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, BAPP or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, BAPP or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, BAPP or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BAPP and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BAPP; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by BAPP (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from BAPP and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts

that should have been paid by BAPP and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against BAPP and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W 8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to BAPP in respect of the GP-Related BAPP Interest with respect to any GP-Related BAPP Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-

Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related BAPP Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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 BAPP, 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 General Partner on behalf of the Partnership 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 Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) “ *GP-Related Net Income (Loss)* ” from any activity of the Partnership related to the GP-Related BAPP Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related BAPP Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related BAPP Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish

GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be pro rata based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss). (a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BAPP and allocated to the Partnership with respect to its pro rata share thereof (based on capital contributions made by the Partnership to BAPP with respect to the GP-Related BAPP Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BAPP and (ii) GP-Related Net Loss relating to realized losses suffered by BAPP and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to BAPP, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related BAPP Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BAPP of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BAPP) 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 BAPP) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn

Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to BAPP a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related BAPP Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "*GP-Related Recontribution Amount*") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BAPP 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 BAPP Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related BAPP Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BAPP Investment, all GP-Related BAPP Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related 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 General Partner, 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 Partnership'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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner's and Withdrawn Partner's GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner's Trust Account used to pay any part of any GP-Related 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 GP-Related Reconstitution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the BAPP Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's pro rata share of any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under Section 9.4 of the BAPP Partnership Agreement and/or the corresponding provisions under any other BAPP Agreement.

- (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 General Partner's call for GP-Related Reconstitution 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 GP-Related Reconstitution 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 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 GP-Related 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 GP-Related Reconstitution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (a "*GP-Related Defaulting Party*") fails to recontribute all or any portion of such GP-Related Defaulting Party's Net GP-Related Reconstitution Amount for any reason, the General Partner 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 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 Reconstitution Amount (a "*GP-Related Deficiency Contribution*") if the General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn

Partner 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 Reconstitution Amount initially requested from such Partner or Withdrawn Partner in respect of such default.

- (B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 Reconstitution Amount any amounts otherwise payable to the GP-Related 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Reconstitution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Reconstitution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.
- (C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 net losses on writedowns and losses on GP-Related BAPP 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 GP-Related BAPP 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 GP-Related BAPP Investment (the “*Subject Investment*”) that have been reduced under any BAPP 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 or her 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 BAPP) 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 BAPP) 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 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 or her 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 BAPP Partnership 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 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 GP-Related 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 GP-Related BAPP Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last GP-Related BAPP Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related BAPP 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

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- (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 BAPP Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the

Partnership, 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner’s Investor Note issued to finance such Limited Partner’s purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner’s Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her pro rata share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners. (a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner's GP-Related Partner Interest.

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “*Settlement Date*” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner’s GP-Related Capital

Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or

her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "*Liquidator*"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable, (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS;
ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment BAPP Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment BAPP 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 Partner Interests or the GP-Related BAPP Interest.

(ii) Each Partner (other than the Cayman GP), severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to BAPP, in respect of the Capital Commitment BAPP Interest, if any, and the related Capital Commitment BAPP Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment BAPP Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s

request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank pari passu with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners;

provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax

purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or BAPP (a "*Capital Commitment Disposable Investment*"), at the election of the General Partner each Partner'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 Partner's "*Capital Commitment Class B Interest*"), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner's "*Capital Commitment Class A Interest*"). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to BAPP all or a portion of a Giveback Amount with respect to the Capital Commitment BAPP Interest (the amount of any such obligation of the Partnership being herein called a “ *Capital Commitment Giveback Amount* ”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment BAPP Interest (the “ *Capital Commitment Recontribution Amount* ”) which equals such Partner’s pro rata share of prior distributions in connection with (a) the Capital Commitment BAPP 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 BAPP Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of BAPP) in valuing investments of BAPP or, in the case of investments not held by BAPP, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's pro rata share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' pro rata shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its pro rata share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply pro rata against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner.

at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the pro rata portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or

portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner’s Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner’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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any

Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which

shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner in connection with any such Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

- (i) pursuant to Section 6.6;
- (ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account

balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “Winding Up Event.”

Section 9.2. Final Distribution.

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

- (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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her 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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. (“ TM ”), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM’s 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Reconstitution Amounts and any Capital Commitment Reconstitution 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Reconstitution Amounts and/or any Capital Commitment Reconstitution 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, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the BAPP Agreements, (x) the limited partner in BAPP shall be a third-party beneficiary of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement), shall be effective against such limited partner only with the Consent (as such term is used in the BAPP Partnership Agreement) of such limited partner. Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited

Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BPP CORE ASIA L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BPP CORE ASIA LTD.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

[BPP Core Asia Associates L.P. LPA]

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Bryony Robottom

Name: Bryony Robottom

[BPP Core Asia Associates L.P. LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BPP CORE ASIA ASSOCIATES-NQ L.P.****SECOND AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP**

Dated February 16, 2016
Effective as of March 18, 2015

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “*INTERESTS*”) OF BPP CORE ASIA ASSOCIATES-NQ L.P. (THE “*PARTNERSHIP*”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BPP CORE ASIA ASSOCIATES-NQ L.P.

SECOND AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of March 18, 2015, of BPP Core Asia Associates-NQ L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between BPP Core Asia-NQ L.L.C., a Delaware limited liability company (“*Delaware GP*”), and BPP Core Asia-NQ Ltd., a Cayman Islands exempted company (“*Cayman GP*”), and, together with the Delaware GP, the “*General Partners*” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner entered into an Initial Exempted Limited Partnership Agreement dated June 17, 2014 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of BPP Core Asia Associates-NQ L.P.; and

WHEREAS, the Delaware GP and the Initial Limited Partner agreed to amend and restate the Original Agreement to make certain modifications by way of an Amended and Restated Exempted Limited Partnership Agreement dated March 18, 2015 (the “*Existing Agreement*”).

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties March 18, 2015, and hereby amend and restate the Existing Agreement in its entirety with a deemed effective date as between the parties March 18, 2015, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Existing Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may

include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Second Amended and Restated Agreement of Exempted Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Alternative Vehicle*” means any “Alternative Vehicle” (as defined in the BAPP Main Fund Partnership Agreement or any other BAPP Agreement).

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BAPP*” means (i) Blackstone Asia Property Partners – AD-NQ L.P., a Cayman Islands exempted limited partnership and (ii) any Alternative Vehicles relating (as defined in the BAPP Main Fund Partnership Agreement) to or formed in connection with the partnership referred to in clause (i) of this definition.

“*BAPP Agreements*” is the collective reference to the BAPP Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) of the definition of “BAPP.”

“*BAPP Main Fund Partnership Agreement*” means the Amended and Restated Exempted Limited Partnership Agreement of Blackstone Asia Property Partners – AD L.P., dated February 17, 2015, as it may be amended, supplemented, restated or otherwise modified from time to time.

“*BAPP Partnership Agreement*” means the Amended and Restated Exempted Limited Partnership Agreement of Blackstone Asia Property Partners – AD-NQ L.P., dated February 17, 2015, as it may be amended, supplemented, restated or otherwise modified from time to time.

“ *BCE Agreement* ” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“ *BCE Investment* ” means any direct or indirect investment by any Blackstone Collateral Entity.

“ *BCOM* ” is the collective reference to (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 VI* ” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“ *BCP VII* ” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“ *BCTP* ” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“ *BEP* ” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“ *BEP II* ” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“ *BFCOMP* ” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“ *BFGSO* ” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“ *BFIP* ” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“ *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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone

Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt

Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“ *BTO* ” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C. Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“ *Business Day* ” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“ *Capital Commitment BAPP Commitment* ” means the Capital Commitment (as defined in the BAPP Main Fund Partnership Agreement), if any, of the Partnership to BAPP that relates solely to the Capital Commitment BAPP Interest, if any.

“ *Capital Commitment BAPP Interest* ” means the Interest (as defined in the BAPP Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP.

“ *Capital Commitment BAPP Investment* ” means the Partnership’s interest in a specific investment of BAPP held by the Partnership through the Capital Commitment BAPP Interest.

“ *Capital Commitment Capital Account* ” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BAPP Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment BAPP Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment BAPP Interest.

“*Capital Commitment Profit Sharing Percentage*” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“*Capital Commitment Recontribution Amount*” has the meaning set forth in Section 7.4(g)(i).

“*Capital Commitment-Related Capital Contributions*” has the meaning set forth in Section 7.1(a)(ii).

“*Capital Commitment-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the BAPP Partnership Agreement and (ii) any other carried interest distribution to a Fund GP pursuant to any BAPP Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony (under U.S. law) 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates, or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“Cayman GP” means BPP Core Asia-NQ Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

“CC Carried Interest” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “CC Carried Interest” includes any amount initially received by an Affiliate of the Partnership from any fund (including BAPP, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount” as defined in Article One of the BAPP Partnership Agreement, and any other clawback amount payable to the limited partner of BAPP or to BAPP pursuant to any BAPP Agreement, as applicable.

“*Clawback Provisions*” means Section 9.2.8 of the BAPP Partnership Agreement.

“*Code*” means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

“*Commitment Agreement*” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“*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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Delaware GP*” means BPP Core Asia-NQ L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“*Disabling Event*” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) 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.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Agreement*” has the meaning set forth in the recitals.

“*Existing Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“*Firm Advances*” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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*” means a calendar year, or any other period chosen by the General Partner.

“*Fund GP*” means the Partnership (only with respect to the GP-Related BAPP Interest) and the Other Fund GPs.

“GAAP” means U.S. generally accepted accounting principles.

“General Partner” or “General Partners” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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), in each case, subject to the provisions of Section 3.4.

“Giveback Amount” means an amount, payable by the limited partner of BAPP pursuant to the Giveback Provisions.

“Giveback Provisions” means Section 5.2(c) of the BAPP Partnership Agreement and any other similar provisions in any other BAPP Agreement existing heretofore or hereafter entered into.

“GP-Related BAPP Interest” means the interest held by the Partnership in BAPP in the Partnership’s capacity as general partner of BAPP, excluding any Capital Commitment BAPP Interest.

“GP-Related BAPP Investment” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the BAPP Partnership Agreement) in the Partnership’s capacity as the general partner of BAPP, but does not include any Capital Commitment Investment.

“GP-Related Capital Account” has the meaning set forth in Section 5.2(a).

“GP-Related Capital Contributions” has the meaning set forth in Section 4.1(a).

“GP-Related Class A Interest” has the meaning set forth in Section 5.8(a)(ii).

“GP-Related Class B Interest” has the meaning set forth in Section 5.8(a)(ii).

“GP-Related Commitment”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“GP-Related Defaulting Party” has the meaning set forth in Section 5.8(d)(ii)(A).

“GP-Related Deficiency Contribution” has the meaning set forth in Section 5.8(d)(ii)(A).

“GP-Related Disposable Investment” has the meaning set forth in Section 5.8(a)(ii).

“GP-Related Giveback Amount” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related BAPP Interest (including, without limitation, any GP-Related BAPP Investment but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related BAPP Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 BAPP Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related BAPP Investment if BAPP’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 BAPP to the Partnership (indirectly through the general partner of BAPP) pursuant to any BAPP Agreement with respect to such GP-Related BAPP Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“*GSO Fund*” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital

Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“*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 Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Mapcal Limited.

“*Interest*” means a Partner’s exempted limited partnership interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“*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 Partner*” has the meaning set forth in Section 4.1(d)(vi).

“*Lender or Guarantor*” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“*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 and any Nonvoting Limited Partner.

“*Liquidator*” has the meaning set forth in Section 6.6.

“*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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *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*” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“*Partnership*” means BPP Core Asia Associates-NQ L.P., an exempted limited partnership registered in the Cayman Islands.

“*Partnership Act*” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“*Partnership Affiliate*” has the meaning set forth in Section 3.4(c).

“*Partnership Affiliate Governing Agreement*” has the meaning set forth in Section 3.4(c).

“*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 General Partner as a “Qualifying Fund.”

“*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).

“*Retained Portion*” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“ *Transfer* ” has the meaning set forth in Section 8.2.

“ *Trust Account* ” has the meaning set forth in the Trust Agreement.

“ *Trust Agreement* ” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *U.S.* ” means the United States of America.

“ *Winding Up Event* ” has the meaning set forth in Section 9.1(a).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner’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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of BPP Core Asia Associates-NQ L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and

deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2064, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act,

(i) to serve as a general partner of BAPP (including any Alternative Vehicle) and perform the functions of a general partner of BAPP (including any Alternative Vehicle) specified in the BAPP Agreements;

(ii) to serve as, and hold the Capital Commitment BAPP Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP (including any Alternative Vehicle) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BAPP (including any Alternative Vehicle) specified in the BAPP Agreements;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BAPP (including any Alternative Vehicle)), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the BAPP Agreements, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, *provided*, that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, or at such other place or places within the Cayman Islands as may from time to time be designated by the General Partner.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a)

receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be March 18, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners,” subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership’s business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided, that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the “General Partner” or “General Partners” in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the “General Partner” or “General Partners” means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners’ discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those

enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners' 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BAPP, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the BAPP Agreements, including, without limitation, serving as a general partner of BAPP, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BAPP Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of BAPP, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, BAPP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BAPP Agreements and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BAPP

and/or the Partnership, (III) side letters issued in connection with investments in BAPP on behalf of BAPP and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, BAPP or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 BAPP, the Partnership or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, BAPP or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, BAPP or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BAPP or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, BAPP and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, BAPP or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, BAPP or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, BAPP or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, BAPP or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BAPP and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BAPP; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by BAPP (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from BAPP and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by BAPP and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against BAPP and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to BAPP in respect of the GP-Related BAPP Interest with respect to any GP-Related BAPP Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General

Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related BAPP Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner's and such Partner Category's "*Holdback Percentage*"). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the "*Initial Holdback Percentages*"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

- (B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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 BAPP, 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 General Partner on behalf of the Partnership 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 Partner's

obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners’ GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners’ 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 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. No Partner may withdraw capital related to such Partner’s GP-Related Partner Interests 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) GP-Related 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) “*GP-Related Net Income (Loss)*” from any activity of the Partnership related to the GP-Related BAPP Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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' 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 Partners' average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related BAPP Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related BAPP Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the “*GP-Related Profit Sharing Percentage*”) of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner’s GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner’s GP-Related Profit Sharing Percentage shall be pro rata based upon such Partner’s GP-Related 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 GP-Related 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 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 a “*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners’ 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss). (a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related

Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BAPP and allocated to the Partnership with respect to its pro rata share thereof (based on capital contributions made by the Partnership to BAPP with respect to the GP-Related BAPP Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BAPP and (ii) GP-Related Net Loss relating to realized losses suffered by BAPP and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to BAPP, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related BAPP Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BAPP of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related*

Class B Interest”), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner’s “*GP-Related Class A Interest*”). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BAPP) 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 BAPP) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership’s having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to BAPP a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related BAPP Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "*GP-Related Recontribution Amount*") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's pro rata share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BAPP 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 BAPP Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related BAPP Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BAPP Investment, all GP-Related BAPP Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related 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 General Partner, 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 Partnership'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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner's and Withdrawn Partner's GP-Related Recontribution Amount. Prior to such time, the

General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner's Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the BAPP Partnership Agreement, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's pro rata share of any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under Section 9.4 of the BAPP Partnership Agreement and/or the corresponding provisions under any other BAPP Agreement.

- (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 General Partner'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 Partner or Withdrawn Partner equals the sum of (I) such Partner's or Withdrawn Partner'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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in

its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Partner or Withdrawn Partner in respect of such default.

- (B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.
- (C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 net losses on writedowns and losses on GP-Related BAPP 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 GP-Related BAPP 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 GP-Related BAPP Investment (the "*Subject Investment*") that have been reduced under any BAPP 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 or her 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 BAPP) 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 BAPP) 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 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 or her 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 BAPP Partnership 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 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 GP-Related 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 GP-Related BAPP Investments which gave rise to the Clawback Amount (i.e., the Losses that followed the last GP-Related BAPP Investment with respect to which Carried Interest distributions were made), based on such Partner’s Carried Interest Sharing Percentage in such GP-Related BAPP Investments;

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- (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 BAPP Partnership 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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code

or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner’s Investor Note issued to finance such Limited Partner’s purchase of his or her Capital Commitment Interests, Blackstone or such

other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her pro rata share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners. (a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner.

Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby

agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner 's GP-Related Partner Interest.

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted.]

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "*Liquidator*"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable, (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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.

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS;
ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment BAPP Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment BAPP 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 Partner Interests or the GP-Related BAPP Interest.

(ii) Each Partner (other than the Cayman GP), severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to BAPP, in respect of the Capital Commitment BAPP Interest, if any, and the related Capital Commitment BAPP Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment BAPP Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to

any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank *pari passu* with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner’s interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner’s interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner’s Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to

such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or BAPP (a “*Capital Commitment Disposable Investment*”), at the election of the General Partner each Partner’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 Partner’s “*Capital Commitment Class B Interest*”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “*Capital Commitment Class A Interest*”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to BAPP all or a portion of a Giveback Amount with respect to the Capital Commitment BAPP Interest (the amount of any such obligation of the Partnership being herein called a “*Capital Commitment Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment BAPP Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Partner’s pro rata share of prior distributions in connection with (a) the Capital Commitment BAPP 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 BAPP Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner’s failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner’s obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of BAPP) in valuing investments of BAPP or, in the case of investments not held by BAPP, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its pro rata share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's pro rata share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' pro rata shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its pro rata share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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.

WITHDRAWAL; ADMISSION OF NEW PARTNERSSection 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply pro rata against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to

withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the pro rata portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent

permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “ Winding Up Event.”

Section 9.2. Final Distribution.

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

(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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her 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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

MISCELLANEOUS

Section 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 nonperformance 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, New York U.S.A. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. (“*TM*”), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM’s 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the BAPP Agreements, (x) the limited partner in BAPP shall be a third-party beneficiary of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in Section 9.4 of the BAPP Partnership Agreement), shall be effective against such limited partner only with the Consent (as such term is used in the BAPP Partnership Agreement) of such limited partner. Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BPP CORE ASIA-NQ L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BPP CORE ASIA-NQ LTD.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

[BPP Core Asia Associates-NQ L.P. LPA]

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Bryony Robottom

Name: Bryony Robottom

[BPP Core Asia Associates-NQ L.P. LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET**BLACKSTONE REAL ESTATE ASSOCIATES VIII L.P.****AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP**

Dated as of March 27, 2015

THE LIMITED PARTNERSHIP INTERESTS (THE “INTERESTS”) OF BLACKSTONE REAL ESTATE ASSOCIATES VIII L.P. (THE “PARTNERSHIP”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE REAL ESTATE ASSOCIATES VIII L.P.

AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP, dated as of March 27, 2015 of Blackstone Real Estate Associates VIII L.P., a Delaware limited partnership (the “*Partnership*”), by and between BREA VIII L.L.C., a Delaware limited liability company (the “*General Partner*”), Kathleen McCarthy (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, Blackstone Real Estate Associates VIII L.P. was formed as a Delaware limited partnership on October 22, 2014;

WHEREAS, the General Partner and the Initial Limited Partner entered into a Limited Partnership Agreement dated as of October 22, 2014 (the “*Original Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the Original Agreement in its entirety as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Limited Partnership, 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 of the BREP VIII Partnership Agreement or any other “Alternative Vehicle” (as defined in any other BREP VIII Agreements).

“ *Applicable Collateral Percentage*, ” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“ *BCE Agreement* ” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“ *BCE Investment* ” means any direct or indirect investment by any Blackstone Collateral Entity.

“ *BCOM* ” is the collective reference to (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 VI* ” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment

Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Capital Commitment*” has the meaning set forth in the BREP VIII Partnership Agreement.

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII* ” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 VIII Agreements* ” is the collective reference to the BREP VIII Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) or (iii) of the definition of “BREP VIII.”

“ *BREP VIII Partnership Agreement* ” means the Amended and Restated Agreements of Limited Partnership of Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., dated as of the respective dates set forth therein, as each may be amended, supplemented, restated or otherwise modified from time to time.

“ *BREP Asia* ” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“ *BREP Europe IV* ” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“ *BTO* ” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now

or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States.

“*Capital Commitment BREP VIII Commitment*” means the Capital Commitment (as defined in the BREP VIII Partnership Agreement), if any, of the Partnership to BREP VIII that relates solely to the Capital Commitment BREP VIII Interest, if any.

“*Capital Commitment BREP VIII Interest*” means the Interest (as defined in the BREP VIII Partnership Agreement), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of BREP VIII.

“*Capital Commitment BREP VIII Investment*” means the Partnership’s interest in a specific investment of BREP VIII held by the Partnership through the Capital Commitment BREP VIII Interest.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“*Capital Commitment Deficiency Contribution*” has the meaning specified in Section 7.4(g)(ii)(A).

“*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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BREP VIII Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment BREP VIII Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“ *Capital Commitment Partner Interest* ” means a Partner’s limited partnership interest in the Partnership with respect to the Capital Commitment BREP VIII Interest.

“ *Capital Commitment Profit Sharing Percentage* ” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“ *Capital Commitment Recontribution Amount* ” has the meaning set forth in Section 7.4(g)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“ *Capital Commitment-Related Commitment* ”, with respect to any Partner, means

such Partner's commitment to the Partnership relating to such Partner's Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner's Commitment Agreement or SMD Agreement, if any.

"*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*" means (i) "Carried Interest Distributions," as defined in the BREP VIII Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any BREP VIII Agreement. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

"*Carried Interest Give Back Percentage*" means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner's committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 any of its Affiliates; (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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1) (i)-(viii) of Regulation D under the Securities Act.

"*CC Carried Interest*" means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to "carried interest", including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of "carried interest" received by an Affiliate of the Partnership. "*CC Carried Interest*" includes any amount initially received by an Affiliate of the Partnership from any fund (including BREP VIII, 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").

"*Clawback Adjustment Amount*" has the meaning set forth in Section 5.8(e).

"*Clawback Amount*" means the "Clawback Amount" and the "Interim Clawback Amount," both as defined in Article One of the BREP VIII Partnership Agreement, and any other clawback amount payable to the limited partners of BREP VIII or to BREP VIII pursuant to any BREP VIII Agreement, as applicable.

"*Clawback Provisions*" means paragraphs 4.2.9 and 9.2.8 of the BREP VIII Partnership Agreement and any other similar provisions in any other BREP VIII 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 means, where appropriate, the corresponding provision in any successor statute.

“*Commitment Agreement*” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“*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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Disabling Event*” means (a) the Withdrawal of the General Partner, other than in accordance with Section 6.4(a) or (b) the 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 a proceeding described in clause (iv) or (vi) 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.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Partner* ” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“ *Final Event* ” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner.

“ *Firm Advances* ” has the meaning set forth in Section 7.1(b).

“ *Firm Collateral* ” means 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* ” means a calendar year, or any other period chosen by the General Partner.

“ *Fund GP* ” means the Partnership (only with respect to the GP-Related BREP VIII Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” means BREX VIII L.L.C. and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount* ” means the “Investment Specific Giveback Amount,” as such term is defined in the BREP VIII Partnership Agreement.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the BREP VIII Partnership Agreement and any other similar provisions in any other BREP VIII Agreement existing heretofore or hereafter entered into.

“ *GP-Related BREP VIII Interest* ” means the interest held by the Partnership in BREP VIII in the Partnership’s capacity as general partner of BREP VIII, excluding any Capital Commitment BREP VIII Interest.

“*GP-Related BREP VIII Investment*” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the BREP VIII Partnership Agreement) in the Partnership’s capacity as the general partner of BREP VIII, but does not include any Capital Commitment Investment.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related BREP VIII Interest (including, without limitation, any GP-Related BREP VIII Investment, but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s interest in the Partnership with respect to the GP-Related BREP VIII Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“ *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 BREP VIII Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related BREP VIII Investment if BREP VIII’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 VIII to the Partnership (indirectly through the general partner of BREP VIII) pursuant to any BREP VIII Agreement with respect to such GP-Related BREP VIII Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“ *GSO Fund* ” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“ *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 III L.P., a Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Kathleen McCarthy.

“*Interest*” means a Partner’s interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“*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 Partner*” has the meaning set forth in Section 4.1(d)(vi).

“*Lender or Guarantor*” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“ *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 and any Nonvoting Limited Partner.

“ *Liquidator* ” has the meaning set forth in Section 9.1(b).

“ *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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“ *Moody’s* ” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the General Partner (only with respect to the General Partner’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *Parallel Fund* ” means any additional collective investment vehicle (or other similar arrangement) formed pursuant to paragraph 2.8 of the BREP VIII Partnership Agreement.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means Blackstone Real Estate Associates VIII L.P., a Delaware limited partnership.

“ *Partnership Act* ” means the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. §§ 17-101, et seq., as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“*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 General Partner as a “Qualifying Fund.”

“*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).

“*Retained Portion*” has the meaning set forth in Section 7.6.

“*Retaining Withdrawn Partner*” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“*Securities Act*” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“*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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 as of the date hereof is BREA VIII L.L.C. The Limited Partners shall be as shown on the books and records of the Partnership. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to

the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the General Partner) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the General Partner) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, and the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name; Foreign Jurisdictions. The Partnership is hereby continued as a limited partnership pursuant to the Partnership Act and shall conduct its activities on and after the date hereof under the name of Blackstone Real Estate Associates VIII L.P. The certificate of limited partnership of the Partnership may be amended and/or restated from time to time by the General Partner. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates:

(i) to serve as the general partner of BREP VIII (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a general partner of BREP VIII (including any Alternative Vehicle and any Parallel Fund) specified in the BREP VIII Agreements;

(ii) to serve as, and hold the Capital Commitment BREP VIII Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BREP VIII (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BREP VIII (including any Alternative Vehicle and any Parallel Fund) specified in the BREP VIII Agreements;

(iii) to make the Blackstone Capital Commitment or a portion thereof, either directly or indirectly through another entity;

(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, restated or otherwise modified from time to time, of any such partnership;

(v) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(vi) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BREP VIII (including any Alternative Vehicle and any Parallel Fund)), including, without limitation, in connection with any action referred to in any of clauses (i) through (v) above;

(vii) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the BREP VIII Agreements, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iv) or (v) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(viii) any other lawful purpose; and

(ix) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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 be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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;

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- (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 Partnership 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 Partnership;
 - (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 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;
 - (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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) Withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be March 27, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The General Partner shall be the general partner of the Partnership. The General Partner may not be removed without its consent.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The 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 those enumerated in Section 2.4, on behalf and in the name of the Partnership. 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BREP VIII, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under, the BREP VIII Agreements, including, without limitation, serving as a general partner of BREP VIII, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BREP VIII Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partner and any other person designated by the General Partner, each acting individually, is hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the General Partner (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 *et seq.*, as amended, or otherwise) (the General Partner 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of BREP VIII, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, BREP VIII or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BREP VIII Agreements and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BREP VIII and/or the Partnership, (III) side letters issued in connection with investments in BREP VIII on behalf of BREP VIII and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, BREP VIII or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Partnership, BREP VIII or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, BREP VIII or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, BREP VIII or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BREP VIII or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, BREP VIII and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be

necessary or advisable in connection with any bank account of the Partnership, BREP VIII or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, BREP VIII or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, BREP VIII or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, BREP VIII or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BREP VIII and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BREP VIII; second, by the applicable portfolio entity through which such investment is indirectly held and third, by BREP VIII (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from BREP VIII and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by BREP VIII and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against BREP VIII and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited

Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner shall be required to make capital contributions to the Partnership (“*GP-Related Capital Contributions*”) at such times and in such amounts (the “*GP-Related Required Amounts*”) as are required to satisfy the Partnership’s obligation to make capital contributions to BREP VIII in respect of the GP-Related BREP VIII Interest with respect to any GP-Related BREP VIII Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner’s Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners based upon each Partner’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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner’s GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related BREP VIII Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the General Partner) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner

Category's "Holdback Percentage"). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the "Initial Holdback Percentages"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the General Partner) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the General Partner (a "Holdback Vote"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the General Partner shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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 General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in 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 thereto ("*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 General Partner 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 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 in the books and records of the Partnership 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 as is 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) 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 (an “*L/C*”) for the benefit of the Trustee(s) 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 (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 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 VIII, 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 (I) below) draw down on an L/C only if (I) such a drawdown is necessary to satisfy an L/C Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 or her L/C upon (1) the 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 or her 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 the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her 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, the L/C of an L/C Partner 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) (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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or her 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 or other asset 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 or her 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 Partnership), 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners’ GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners’ 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 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. No Partner may withdraw capital related to such Partner’s GP-Related Partner Interests 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.

PARTICIPATION IN PROFITS AND LOSSES

Section 5.1. General Accounting Matters.

(a) GP-Related 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) “ *GP-Related Net Income (Loss)* ” from any activity of the Partnership related to the GP-Related BREP VIII Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 Partnership for federal income tax purposes with the following adjustments: (i) any income of the Partnership that is exempt from 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 Partnership that differs from its adjusted tax basis for 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and

Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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' 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 Partners' average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related BREP VIII Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with

respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related BREP VIII Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner's GP-Related 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 GP-Related 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 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 a "*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the General Partner) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the General Partner): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BREP VIII and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to BREP VIII with respect to the GP-Related BREP VIII Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BREP VIII and (ii) GP-Related Net Loss relating to realized losses suffered by BREP VIII and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to BREP VIII, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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), Section 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related BREP VIII Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 with respect to

such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BREP VIII of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BREP VIII) 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 VIII) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(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 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 GP-Related 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 federal, New York State and New York City income and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the General Partner; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to BREP VIII a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related BREP VIII Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "GP-Related Giveback Amount"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "GP-Related Recontribution Amount") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BREP VIII 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 VIII Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related BREP VIII Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BREP VIII Investment, all GP-Related BREP VIII Investments. Each Partner and Withdrawn Partner shall

promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related Reconstitution 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 General Partner, 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 Reconstitution 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 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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related Reconstitution 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 General Partner shall specify each Partner's and Withdrawn Partner's GP-Related Reconstitution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner's Trust Account used to pay any part of any GP-Related 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 GP-Related Reconstitution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the BREP VIII Agreements, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's *pro rata* share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BREP VIII Partnership Agreement) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of the BREP VIII Partnership Agreement and/or the corresponding provisions under any other BREP VIII Agreement.

(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 General Partner's call for GP-Related Reconstitution 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 GP-Related Reconstitution 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 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 GP-Related 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 GP-Related Reconstitution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner shall as a result of such GP-Related Deficiency Contribution be required to contribute an amount in excess of 167% of the amount of the Net GP-Related Recontribution Amount initially requested from such Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the General Partner 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 the name of the General Partner, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the BREP VIII Agreements) on GP-Related BREP VIII 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 GP-Related BREP VIII 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 GP-Related BREP VIII Investment (the "*Subject Investment*") that have been reduced under any BREP VIII 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 or her 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 VIII) 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 VIII) 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 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 or her 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 VIII Partnership 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 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 GP-Related 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 GP-Related BREP VIII Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related BREP VIII Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related BREP VIII 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 VIII Agreements.

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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) All items of income, gain, loss, deduction and credit of the Partnership shall be allocated among the Partners 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 Partners pursuant to this Agreement, except as may otherwise be provided herein or by the Code or other applicable law. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners.

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be

determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) The General Partner may not transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner's GP-Related Partner Interest.

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 JPMorgan Chase Bank, N.A., as its prime rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner's GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 and 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 or her subordinated promissory note, 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 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partner) hereby irrevocably appoints the General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such 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 this Section 6.5, including, without limitation, the performance of any obligation of such Partner or the Partnership or the exercise of any right of such 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 Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners.

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(b) The General Partner shall cause to be prepared all 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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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' 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 or she 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" or "partnership representative" (each as defined under the Code), as applicable (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 6.7 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 Partner shall provide to the Partnership copies of each federal, state and local income tax return of such Partner (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 Partnership interest permitted by the terms of this Agreement, the General Partner may cause the Partnership, on behalf of the Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS;
ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment BREP VIII Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment BREP VIII 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 Partner Interests or the GP-Related BREP VIII Interest.

(ii) Each Partner severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to BREP VIII, in respect of the Capital Commitment BREP VIII Interest, if any, and the related Capital Commitment BREP VIII Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment BREP VIII Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the General Partner) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the

aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership 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 Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the General Partner shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership or BREP VIII (a "*Capital Commitment Disposable Investment*"), at the election of the General Partner each Partner'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 Partner's "*Capital Commitment Class B Interest*"), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner's "*Capital Commitment Class A Interest*"). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to BREP VIII all or a portion of a Giveback Amount with respect to the Capital Commitment BREP VIII Interest (the amount of any such obligation of the Partnership being herein called a “ *Capital Commitment Giveback Amount* ”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment BREP VIII Interest (the “ *Capital Commitment Recontribution Amount* ”) which equals such Partner’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment BREP VIII 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 VIII Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the General Partner as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of BREP VIII) in valuing investments of BREP VIII or, in the case of investments not held by BREP VIII, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's *pro rata* share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' *pro rata* shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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

Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the dissolution of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or

portions thereof) are repurchased by the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner’s Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner’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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment

Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) Each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge or otherwise dispose of or transfer ("*Transfer*") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the

General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be dissolved and subsequently terminated:

- (i) pursuant to Section 6.6;
- (ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

(b) When the Partnership is dissolved, the business and property of the Partnership shall be wound up and liquidated by the General Partner or, in the event of the unavailability of the General Partner, such Limited Partner or other liquidating trustee as shall be named by the a Majority in Interest of the Partners (excluding Nonvoting Limited Partners) (the General Partner, such Limited Partner or other liquidating trustee, as the case may be, being hereinafter referred to as the “Liquidator”).

Section 9.2. 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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner’s GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner’s Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner’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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners’ Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests. If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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, New York U.S.A. 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. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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.

Section 10.3. 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. In particular, the Partnership has been formed pursuant to the Partnership Act, and the rights and liabilities of the 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Recontribution Amounts and any Capital

Commitment 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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 Partners and their respective legal representatives, heirs, successors and permitted assigns. Notwithstanding the foregoing, solely to the extent required by the BREP VIII Agreements, (x) the limited partners in BREP VIII shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BREP VIII Partnership Agreement) and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BREP VIII Partnership Agreement), shall be effective against such limited partners only with the Combined Limited Partner Consent (as such term is used in the BREP VIII Partnership Agreement).

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the

name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNER:

BREA VIII L.L.C.

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer and Secretary

INITIAL LIMITED PARTNER:

KATHLEEN MCCARTHY,

As Initial Limited Partner, solely to reflect her Withdrawal from the Partnership

By: /s/ Kathleen McCarthy

[Signature Page to Blackstone Real Estate Associates VIII A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET

BMA VII L.L.C.

**AMENDED AND RESTATED
LIMITED LIABILITY COMPANY AGREEMENT**

Dated as of May 13, 2015

THE LIMITED LIABILITY COMPANY INTERESTS (THE “INTERESTS”) OF BMA VII L.L.C. (THE “COMPANY”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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 STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BMA VII L.L.C.

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT, dated as of May 13, 2015 of BMA VII L.L.C., a Delaware limited liability company (the “*Company*”), by and between Blackstone Holdings III L.P., a Québec *société en commandite* (the “*Managing Member*” or “*Holdings*”), as managing member, and the members listed in the books and records of the Company, as members.

WITNESSETH

WHEREAS, BMA VII L.L.C. was formed as a Delaware limited liability company pursuant to a certificate of formation filed in the office of the Secretary of State of the State of Delaware on September 23, 2014;

WHEREAS, the Managing Member entered into a Limited Liability Company Agreement dated as of September 23, 2014 (the “*Original Agreement*”);

WHEREAS, the parties hereto now wish to amend and restate the Original Agreement in its entirety as hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this 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 of the BCP VII Partnership Agreement or any other “Alternative Investment Vehicle” (as defined in any other BCP VII Agreements).

“Applicable Collateral Percentage,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“BCE Agreement” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“BCE Investment” means any direct or indirect investment by any Blackstone Collateral Entity.

“BCOM” is the collective reference to (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 VI” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership, and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P. and Blackstone Capital Partners VII.2 L.P., each a Delaware limited partnership, and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII Agreements*” is the collective reference to the BCP VII Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) of the definition of “BCP VII.”

“*BCP VII Partnership Agreement*” means the Amended and Restated Agreements of Limited Partnership of Blackstone Capital Partners VII L.P. and Blackstone Capital Partners VII.2 L.P., dated as of the respective dates set forth therein, as each may be amended, supplemented, restated or otherwise modified from time to time.

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership, and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership, and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership, and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 Managing Member (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A—SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V-SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII—ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership—SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership—SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership—SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman)—SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership—SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe—SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia—SMD L.P., Blackstone Real Estate Holdings Asia—ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the Managing Member (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Capital Commitment*” has the meaning set forth in the BCP VII Partnership Agreement.

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BMA VII*” means Blackstone Management Associates VII L.L.C., a Delaware limited liability company and the general partner of BCP VII.

“*BMA VII Agreement*” means the Amended and Restated Limited Liability Company Agreement of Blackstone Management Associates VII L.L.C., dated as of May 13, 2015, as it may be amended, supplemented or otherwise modified from time to time.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any Alternative Vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental

capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone's side-by-side or additional general partner investments relating thereto).

"*BREP VII*" means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 VIII*" means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above), 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 Asia*" is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

"*BREP Europe IV*" is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P. and Blackstone Real Estate Partners Europe IV.2 L.P., each a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreements for the partnerships referred to in clause (i) above), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreements for the partnerships referred to in clause (i) above.

"*BTO*" shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection

with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York.

“*Capital Commitment BCP VII Commitment*” means the Capital Commitment (as defined in the BCP VII Partnership Agreement), if any, of the Company to BCP VII that relates solely to the Capital Commitment BCP VII Interest, if any.

“*Capital Commitment BCP VII Interest*” means the Interest (as defined in the BCP VII Partnership Agreement), if any, of the Company as a capital partner (and, if applicable, a limited partner and/or a general partner) of BCP VII.

“*Capital Commitment BCP VII Investment*” means the Company’s interest in a specific investment of BCP VII held by the Company through the Capital Commitment BCP VII Interest.

“*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)(A).

“*Capital Commitment Deficiency Contribution*” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 VII Interest, if any, 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)(i).

“ *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 VII Investment, but shall exclude any GP-Related 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) immediately prior to dissolution.

“ *Capital Commitment Member Interest* ” means a Member’s interest in the Company with respect to the Capital Commitment BCP VII 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)(i).

“ *Capital Commitment-Related Capital Contributions* ” has the meaning set forth in Section 7.1(a)(ii).

“*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, including, without limitation, any such commitment that may be set forth in such Member’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the BCP VII Partnership Agreement, and (ii) any other carried interest distribution to a Fund GP pursuant to any BCP VII 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 it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 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, partners or other equity owners of the Company or 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 any of its Affiliates, or (z) such Member’s committing to or engaging in any conduct or behavior that is or may be harmful to the Company or any of its Affiliates 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 any of its Affiliates; (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 business of the Company and its Affiliates or (B) the business of the Company and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“*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 VII, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount,” as defined in Article One of the BCP VII Partnership Agreement, and any other clawback amount payable to the limited partners of BCP VII or to BCP VII pursuant to any BCP VII Agreement, as applicable.

“*Clawback Provisions*” means paragraph 9.2.8 of the BCP VII Partnership Agreement and any other similar provisions in any other BCP VII 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 means, where appropriate, the corresponding provision in any successor statute.

“ *Commitment Agreement* ” means the agreement between the Company or an Affiliate thereof and a Member, pursuant to which such Member undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Company and the relevant Member.

“ *Company* ” means BMA VII L.L.C., a Delaware limited liability company.

“ *Company Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Company Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 or other equity 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 3.6(a).

“ *Deceased Member* ” means 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* ” means the lower of (i) the sum of (a) the Prime Rate 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(a).

“ *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* ” means 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* ” means 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).

“ *Firm Collateral Realization* ” has the meaning set forth in Section 4.1(d)(v)(B).

“ *Fiscal Year* ” means 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 VII Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *Giveback Amount* ” means the aggregate of the “Investment Specific Giveback Amount” and “Other Giveback Amount,” as such terms are defined in the BCP VII Partnership Agreement.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the BCP VII Partnership Agreement and any other similar provisions in any other BCP VII Agreement existing heretofore or hereafter entered into.

“ *GP-Related BCP VII Interest* ” means the interest held by the Company in BCP VII in the Company’s capacity as indirect general partner of BCP VII, excluding any Capital Commitment BCP VII Interest.

“ *GP-Related BMA VII Interest* ” means the interest of the Company as the sole member of BMA VII.

“ *GP-Related BCP VII Investment* ” means the Company’s indirect interest in BMA VII’s indirect interest in an Investment (for purposes of this definition, as defined in the BCP VII Partnership Agreement) in BMA VII’s capacity as the general partner of BCP VII, but does not include any Capital Commitment Investment.

“ *GP-Related Capital Account* ” has the meaning set forth in Section 5.2(a).

“ *GP-Related Capital Contributions* ” has the meaning set forth in Section 4.1(a).

“ *GP-Related Class A Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Class B Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *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, without limitation, any such commitment that may be set forth in such Member’s Commitment Agreement or SMD Agreement, if any.

“ *GP-Related Defaulting Party* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Deficiency Contribution* ” has the meaning set forth in Section 5.8(d)(ii)(A).

“ *GP-Related Disposable Investment* ” has the meaning set forth in Section 5.8(a)(ii).

“GP-Related Giveback Amount” has the meaning set forth in Section 5.8(d)(i)(A).

“ *GP-Related Investment* ” means any investment (direct or indirect) of the Company in respect of the Company’s GP-Related BMA VII Interest (including, without limitation, any GP-Related BCP VII Investment, but excluding any Capital Commitment 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 VII 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 (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means 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)(A).

“ *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 VII 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 VII Investment if BCP VII’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 VII to the Company (indirectly through the general partner of BCP VII) pursuant to any BCP VII Agreement with respect to such GP-Related BCP VII Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than 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)).

“ *GSO Fund* ” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“ *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.

“ *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 or her person or his or her property.

“Initial Holdback Percentages” has the meaning set forth in Section 4.1(d)(i).

“Interest” means a Member’s interest in the Company, including any interest that is 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 of such Member in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Member in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities 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 Regular Member” means any Regular Member so designated at the time of its admission 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).

“Lender or Guarantor” means Blackstone Holdings I L.P., 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 or other interests in Blackstone Collateral Entities.

“Liquidator” has the meaning set forth in Section 9.1(b).

“ *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 5.8(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 and the Regular Members 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 and the Regular Members but excluding Nonvoting Special Members) on the vote date.

“ *Managing Member* ” means Blackstone Holdings III L.P. and any person admitted to the Company as an additional or substitute managing member of the Company in accordance with the provisions of this Agreement (until such time as such person ceases to be a managing member of the Company as provided herein or in the LLC Act).

“ *Member* ” means any person who is a member of the Company, whether a Managing Member or a Regular Member in whatsoever Member Category.

“ *Member Category* ” means the Existing Members, Retaining Withdrawn Members or Deceased Members, each referred to as a group for purposes hereof.

“ *Moody’s* ” means Moody’s Investors Service, 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(d)(i)(A).

“ *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).

“*Original Agreement*” has the meaning set forth in the recitals.

“*Other Blackstone Collateral Entity*” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“*Other Fund GPs*” means BMA VII 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Member or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“*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 Blackstone Collateral Entities (other than the Company) to such Member.

“*Parallel Fund*” means any additional collective investment vehicle (or other similar arrangement) formed pursuant to paragraph 2.8 of the BCP VII 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*” means any person who is shown on the books and records of the Company as a Regular Member of the Company, including any Special Member and any Nonvoting 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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Member* ” means 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Members, pursuant to which each such 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 obligation (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)(viii)(B).

“ *Special Member* ” means any of the persons shown in the books and records of the Company as a Special Member and any person admitted to the Company as an additional Special Member 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 Member*” has the meaning set forth in Section 4.1(d)(iv)(A).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Member, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Regular Member substantially to perform the services required of such Regular Member (in its capacity as such or in any other capacity with respect to any Affiliate of the Company) 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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).

“*Unallocated Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*U.S.*” means the United States of America.

“*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 the Withdrawal from the Company of a Withdrawn Member.

“ *Withdrawn Member* ” means a Regular Member whose GP-Related Member Interest or Capital Commitment Member 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Member and Regular Members. The Members may be Managing Members or Regular Members. The Managing Member as of the date hereof is Blackstone Holdings III L.P. The Regular Members shall be as shown on the books and records of the Company. The books and records of the Company contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Member (including, without limitation, the Managing 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 Member (including, without limitation, the Managing 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 (including, without limitation, the Managing Member) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Members (including, without limitation, the Managing Member) as modified from time to time, the admission of additional Members, the 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/or a Capital Commitment Member Interest.

Section 2.2. Formation; Name; Foreign Jurisdictions. The Company is hereby continued as a limited liability company pursuant to the LLC Act and shall conduct its activities on and after the date hereof under the name of BMA VII 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, 2065, unless earlier dissolved and terminated in accordance with this Agreement and the LLC Act.

Section 2.4. Purpose; 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 VII and perform the functions of a member of BMA VII specified in the BMA VII Agreement and to invest in GP-Related Investments;

(ii) to serve as, and hold the Capital Commitment BCP VII Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BCP VII (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BCP VII (including any Alternative Vehicle and any Parallel Fund) specified in the BCP VII Agreements;

(iii) to make the Blackstone Capital Commitment or a portion thereof, either directly or indirectly through BMA VII or another entity;

(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, restated or otherwise modified from time to time, of any such partnership;

(v) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a

member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(vi) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BMA VII and BCP VII (including any Alternative Vehicle and any Parallel Fund)), including, without limitation, in connection with any action referred to in any of clauses (i) through (v) above;

(vii) 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 VII Agreement, the BCP VII Agreements, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iv) or (v) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(viii) any other lawful purpose; and

(ix) 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 partner 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 partner 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 or 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 and other applicable law.

Section 2.5. Place of Business. The Company shall maintain a registered office at c/o Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. 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 Intertrust Corporate Services Delaware Ltd., 200 Bellevue Parkway, Suite 210, Bellevue Park Corporate Center, Wilmington, Delaware 19809. 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 Members. The Managing Member shall be the managing member of the Company. The Managing Member may not be removed without its consent. 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. 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.

Section 3.2. Limitations on Regular Members. Except as may be expressly required or permitted by the LLC Act, Regular Members as such shall have no right to, and shall not, take part in the management, conduct or control of the Company's business or act for or bind the Company, and shall have only the rights and powers granted to Regular Members herein or in the LLC Act.

Section 3.3. Member Voting.

(a) 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.

(b) Meetings of the Members may be called only by the Managing Member.

Section 3.4. 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, and the Managing Member shall have full control over the business and affairs of the Company. The Managing Member shall, in the Managing Member's 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 the Managing Member's discretion, subject only to the express terms and conditions of this Agreement.

(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) 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 the sole member of BMA VII on BMA VII's own behalf or in BMA VII's capacity as a general partner, capital partner and/or limited partner of BCP VII, or in the Company's capacity as a general partner or limited partner, member or other equity owner of any Company Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Company's obligations under, the BCP VII Agreements, including, without limitation, serving as an indirect general partner of BCP VII, (ii) to execute and deliver, and to cause BMA VII to perform BMA VII's obligations under the BCP VII Agreements, (iii) to execute and deliver, and to perform the Company's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Company Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Company Affiliate*") of which BMA VII or the Company is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Company Affiliate, and (iv) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BMA VII Agreement, the BCP VII Agreements or any Company Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The Managing Member and any other person designated by the Managing Member, each acting individually, is hereby authorized and empowered, as an authorized representative of the Company or 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, on its own behalf, or in its capacity as sole member of BMA VII, on BMA VII's own behalf or in BMA VII's capacity as general partner, capital partner and/or limited partner of BCP VII, or in the Company's capacity as a general partner or limited

partner, member, shareholder or other equity owner of any Company Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Company, BMA VII, BCP VII or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BMA VII Agreement, the BCP VII Agreements and each Company Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BCP VII and/or the Company, (III) side letters issued in connection with investments in BCP VII on behalf of BCP VII and/or the Company, and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Company, BMA VII, BCP VII or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications 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 VII, BCP VII or any Company Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications 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 VII, BCP VII or any Company Affiliate to qualify to do business in a jurisdiction in which the Company, BMA VII, BCP VII or such Company Affiliate 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 the sole member of BMA VII, on BMA VII's own behalf or in BMA VII's capacity as a general partner, capital partner and/or limited partner of BCP VII or in the Company's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Company Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Company, BMA VII, BCP VII or any Company Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Company, BMA VII, BCP VII or any Company Affiliate or any banking facilities or services that may be utilized by the Company, BMA VII, BCP VII or any Company Affiliate, and all checks, notes, drafts and other documents of the Company, BMA VII, BCP VII or any Company Affiliate that may be required in connection with any such bank account, banking facilities or services, and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the Managing Member, the Company, BMA VII, BCP VII or any Company Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the Managing Member) in this Section 3.4(d) may be revoked at any time by the Managing Member by an instrument in writing signed by the Managing Member.

Section 3.5. Responsibilities of Members.

(a) Unless otherwise determined by the Managing Member in a particular case, each Regular Member (other than a Special Member) shall devote substantially all his or her 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.

Section 3.6. 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. (i) 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, for purposes of this Section 3.6, "*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 3.6(b) 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 3.6(b), 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(b). The Managing Member shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Company's obligations hereunder are not intended to render the Company as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BCP VII and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BCP VII; second, by the applicable portfolio entity through which such investment is indirectly held; and third, by BCP VII (only to the extent the foregoing sources are exhausted).

(B) The Company's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from BCP VII and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Company (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by BCP VII and/or the applicable portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Members that the Company shall have a subrogation claim against BCP VII and/or such portfolio entity in respect of such advancement or payments. The Managing Member and the Company shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the Managing Member may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Regular Members.

(a) Each Regular 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 Regular Member is acquiring each of such Regular Member's Interests for such Regular 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 Regular 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 Member represents and warrants that such Regular Member understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Regular Member must bear the economic risk of an investment in the Company for an indefinite period of time. Each Regular Member represents that such Regular Member has such knowledge and experience in financial and business matters that such Regular Member is capable of evaluating the merits and risks of an investment in the Company, and that such Regular Member is able to bear the economic risk of such investment. Each Regular Member represents that such Regular Member's overall commitment to the Company and other

investments which are not readily marketable is not disproportionate to the Regular Member's net worth and the Regular Member has no need for liquidity in the Regular Member's investment in Interests. Each Regular Member represents that to the full satisfaction of the Regular Member, the Regular Member has been furnished any materials that such Regular 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 Member represents that the Regular Member has consulted to the extent deemed appropriate by the Regular Member with the Regular 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 Regular Member.

(b) Each 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.

Section 3.8. Tax Representation. Each Regular Member certifies that (A) if the Regular Member is a United States person (as defined in the Code) (x) (i) the Regular 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, Request for Taxpayer Identification Number Certification ("W-9") or otherwise are correct and (ii) the Regular Member will complete and return a W-9 and (y) (i) the Regular Member is a United States person (as defined in the Code) and (ii) the Regular Member will notify the Company within 60 days of a change to foreign (non-United States) status or (B) if the Regular 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("W-8IMY"), or otherwise is correct and (ii) the Regular Member will complete and return the applicable IRS form, including but not limited to a W-8BEN, W-8BEN-E or W-8IMY, and (y) (i) the Regular Member is not a United States person (as defined in the Code) and (ii) the Regular Member will notify the Company within 60 days of any change of such status. The Regular 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.

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Members. (a) Each Member shall 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 VII in respect of the GP-Related BMA VII Interest to fund BMA VII’s capital contribution with respect to any GP-Related BCP VII Investment and as are otherwise determined by the Managing Member from time to time or as may be set forth in such Regular Member’s Commitment Agreement or SMD Agreement, if any, or otherwise; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Members based upon each 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. Regular 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 Regular Member’s GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the Managing Member and any Regular Member may agree from time to time that such Regular Member shall make an additional GP-Related Capital Contribution to the Company; provided further, that each Investor Regular 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 related to the GP-Related BCP VII Investment.

(b) 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 who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) 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 but excluding any Members who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Company in installments, in each case on terms determined by the Managing Member.

(c) 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, subject to Section 5.10.

(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 any Managing Member (including, without limitation, the Managing

Member) and each Member Category (such withheld percentage constituting a Managing Member's and such Member Category's "*Holdback Percentage*"). The applicable Holdback Percentages initially shall be 0% for any Managing Member, 15% for Existing Members (other than any Managing Member), 21% for Retaining Withdrawn Members (other than any Managing Member) and 24% for Deceased Members (the "*Initial Holdback Percentages*"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any Managing Member (including, without limitation, the Managing Member) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Member as compared to the other Members in his or her 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 or her 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 21%. 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 Managing Member 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 and the Managing Member (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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 such Subject Member's Member Category; provided further, that a Member shall not vote to increase a Subject Member's Holdback Percentage unless such voting Member determines, in such Member's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Member, or any of such Subject Member's successors or assigns (including such Subject Member's estate or heirs) who at the time of such vote holds the GP-Related Member Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Reconstitution Amounts that may become due.

(B) A Holdback Vote shall take place at a Company meeting. Each of the Regular Members and the Managing Member shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Member's interest in the Company. Such vote may be cast by any such 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 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 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 or her Holdback obligation in respect of his or her 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 or she was a Member), to the extent his or her 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, granting a security interest or otherwise making available to the Managing Member, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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/partners 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 Managing Member 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 as is 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 or her Excess Holdback requirement. If any such Member or Withdrawn Member defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Regular 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 VII, 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 or her 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 or her 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 or her 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 the applicable category 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 or her Holdback (excluding any Excess Holdback), and such Member or a Withdrawn Member may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or her 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 valued at less than such Member's Holdback (excluding any Excess Holdback) as provided in 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 ten (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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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.

Section 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.

Section 4.3. Withdrawals of Capital. No Member may withdraw capital related to such Member's GP-Related Member Interests 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.

PARTICIPATION IN PROFITS AND LOSSES

Section 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 VII 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 federal income tax purposes with the following adjustments: (i) any income of the Company that is exempt from 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 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 Treasury Regulations 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

and Affiliates of the Company shall be allocated among the Company 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 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.

Section 5.2. GP-Related 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 of the Company related to the Company's GP-Related BMA VII Interest and the GP-Related Net Income (Loss) of the Company (each a "*GP-Related Capital Account*").

(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 with respect to such Member or Members' GP-Related Member Interests or a distribution by the Company to one or more of the Members with

respect to such Member or Members' GP-Related Member Interests, 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 GP-Related BCP VII 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 4.2; 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 (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.

Section 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; provided however, 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 as the Managing Member shall determine. 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 a "*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 the 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.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), 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 VII and allocated to the Company with respect to its *pro rata* share thereof (based on capital contributions made by the Company indirectly to BCP VII with respect to the GP-Related BMA VII Interest) shall be allocated to the Members in accordance with each Member's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BCP VII and (ii) GP-Related Net Loss relating to realized losses suffered by BCP VII and allocated indirectly to the Company with respect to the Carried Interest shall be allocated in accordance with a Member's (including a Withdrawn Member's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Members shall remain Members for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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).

(d) To the extent the Company has any GP-Related Net Income (Loss) for any accounting period unrelated to BCP VII, 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.

(e) The Managing Member may authorize from time to time advances to Members (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the Managing Member may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the Managing Member deems reasonably necessary for this purpose.

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 Section 4.1(d) or Section 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' GP-Related Member Interests relating to GP-Related BCP VII 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) (i) The Company shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Members with respect to such Members' GP-Related Member Interests 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 Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BCP VII 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 Member Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Member Interests, a GP-Related Member Interest attributable to the GP-Related Disposable Investment (a Member’s “*GP-Related Class B Interest*”), and a GP-Related Member 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 VII) 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 VII) 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 GP-Related 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 and other 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 GP-Related 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 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 or her 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 Regular 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 VII is obligated under the Clawback Provisions or Giveback Provisions to contribute to BCP VII a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) and the Company is obligated to contribute any such amount to BMA VII in respect of the Company's GP-Related BMA VII Interest (the amount of any such obligation of the Company with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the Managing Member shall call for such amounts as are necessary to satisfy such obligations of the Company 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 Managing Member, 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 a GP-Related Giveback Amount) (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 VII 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 VII 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 VII Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BCP VII Investment, all GP-Related BCP VII Investments. Each Member and Withdrawn Member shall promptly contribute to the Company, along with satisfying his or her 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 Managing Member, 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 Reconstitution 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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related Reconstitution 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 Managing Member shall specify each Member’s and Withdrawn Member’s GP-Related Reconstitution Amount. Prior to such time, the Managing Member may, in its discretion (but shall be under no obligation to), provide notice that in the Managing Member’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 part of 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 Reconstitution 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 Managing Member’s call for GP-Related Reconstitution 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 Reconstitution 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 Reconstitution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Member or Withdrawn Member (a “*GP-Related Defaulting Party*”) fails to reconstitute all or any portion of such GP-Related Defaulting Party’s Net GP-Related Reconstitution Amount for any reason, the Managing Member 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 Reconstitution Amount (a “*GP-Related Deficiency Contribution*”) if the Managing Member determines in its good faith judgment that the Company (or an Other Fund GP)

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 twenty (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.

(B) 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 Managing Member 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 Managing member may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member and Withdrawn Member hereby appoints the Managing Member 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 Managing Member, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The Managing Member shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Company at a rate equal to the Default Interest Rate.

(C) 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 judgment, to further the objective of providing for the fair and equitable treatment of all Members, including by allocating Net Losses (as defined in the BCP VII Agreements) on Writedowns and Losses (each as defined in the BCP VII Agreements) on GP-Related BCP VII 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 VII 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 VII Investment (the “*Subject Investment*”) that have been reduced under any BCP VII 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 or her 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 VII) 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 VII) 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 or her 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

VII 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 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 VII Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related BCP VII Investment with respect to which Carried Interest distributions were made), based on such Member’s Carried Interest Sharing Percentage in such GP-Related BCP VII 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 Amount as provided in the BCP VII Agreements.

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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For 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 are 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 Treasury Regulations thereunder.

(b) 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. 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 Treasury 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the Managing Member in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Members within the meaning of the Code and the Treasury Regulations.

(c) 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 the other provisions of this Section 5.10; provided, that the Managing Member may in its sole discretion make such allocations for tax purposes as it determines are 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 Treasury Regulations thereunder.

ARTICLE VI

ADDITIONAL PARTNERS; WITHDRAWAL OF PARTNERS; SATISFACTION AND DISCHARGE OF PARTNERSHIP 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 or substitute persons into the Company as Managing Members or Regular Members. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 Regular Member, the Managing Member shall designate that such Regular Member shall not have such voting rights (any such Regular 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. If Blackstone or another or subsequent holder of an Investor Note approved by the Managing Member for purposes of this Section 6.1(a) shall foreclose upon

a Regular Member's Investor Note issued to finance such Regular Member's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Regular Member's Capital Commitment Interests and shall be deemed to have become a Regular Member to such extent. Any Additional Member may have a GP-Related Member Interest or a Capital Commitment Member Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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, if any, 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' Capital Commitment Profit Sharing Percentages as of such date, shall be established by the Managing Member.

(c) An additional Member shall be required to contribute to the Company his or her *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 Section 4.1 and Section 7.1.

(d) The admission of an additional Member will be evidenced by (i) the execution of a counterpart copy of, or counter-signature page with respect to, this Agreement by such additional Member, (ii) the execution of an amendment to this Agreement by the Managing Member and the additional Member, as determined by the Managing Member or (iii) the execution by such additional Member of any other writing evidencing the intent of such person to become a substitute or additional Regular Member and to be bound by the terms of this Agreement and such writing being accepted by the Managing Member on behalf of the Company. 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 subject to the prior written consent of the Managing Member. The Managing Member generally intends to permit voluntary Withdrawals 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 Member may Withdraw from the Company with respect to such Member'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 Member's GP-Related Member Interest; provided however, that the Managing Member may elect to admit such Withdrawn Member to the Company as a Nonvoting Special Member with respect to such Member'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 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 Member's GP-Related Member Interest and/or with respect to such Member'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 Member's GP-Related Member Interest and/or with respect to such Member'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 Member's GP-Related Member Interest and/or with respect to such Member'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.

Section 6.3. GP-Related Member Interests Not Transferable.

(a) No Member may sell, assign, pledge or otherwise transfer or encumber all or any portion of such Member's GP-Related Member Interest without the prior written consent of the Managing Member; provided, that, subject to the LLC Act, 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, subject to the prior written consent of the Managing Member, which shall not be unreasonably withheld, a Regular Member may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such 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 interest transferred (including the obligation to make additional GP-Related Capital Contributions). The Managing Member may at its sole option exercisable at any time require such 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 GP-Related Member Interest shall have any right to be a Managing Member or Regular Member without the prior written consent of the Managing Member (which consent may be given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Member Interest in the Company may be made except in compliance with all federal, state and other applicable laws, including federal and state securities laws.

Section 6.4. Managing Member Withdrawal; Transfer of Managing Member’s Interest.

(a) Subject to the LLC Act, the Managing Member may not transfer or assign its interest as a Managing Member in the Company or its right to manage the affairs of the Company, except that the Managing Member may, subject to the LLC Act, with the prior written approval of a Majority in Interest of the Members, admit another person as an additional or substitute Managing Member who makes such representations with respect to itself as the Managing Member deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the Managing Member may, in its sole discretion, transfer all or part of its interest in the Company to a person who makes such representations with respect to itself as the Managing Member deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the Managing Member in connection with any liquidation, dissolution or reorganization of the Managing Member, and, upon the assumption by such person of liability for all the obligations of the Managing Member under this Agreement, such person shall be admitted as the Managing Member. A person who is so admitted as an additional or substitute Managing Member shall thereby become a Managing Member and shall have the right to manage the affairs of the Company and to vote as a Member to the extent of the interest in the Company so acquired. The Managing Member shall not cease to be the managing 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a Managing Member is not permitted. The Withdrawal of a Member shall not dissolve the Company if at the time of such Withdrawal there are one or more remaining Members, and any one or more of such remaining Members continue the business of the Company (any and all such remaining Members being hereby authorized to continue the business of the Company without dissolution and hereby agreeing to do so). Notwithstanding Section 6.4(c), if upon the

Withdrawal of a Member there shall be no remaining Regular Members, the Company nonetheless shall not be dissolved and shall not be required to be wound up if, within 90 days after the occurrence of such event of 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.

(c) 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 GP-Related Member 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. For purposes of this Section 6.5, the term “*Settlement Date*” means the date as of which a Withdrawn Member's GP-Related Member Interest in the Company 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 GP-Related Member 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 or her 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related 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 with respect to such Withdrawn Member's GP-Related Member Interest, the Managing Member shall, promptly after such Withdrawn Member's Settlement Date, (i) determine and allocate to the Withdrawn Member's GP-Related Capital Accounts 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 related to such Member's GP-Related Member Interest, 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 in the Company, (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)-(p) 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 Section 6.5(i) below; provided, that if the Withdrawn Member was solely a Regular Member (other than a Special Member) on his or her 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 Regular Member (other than a Special Member), upon the settlement of such Withdrawn Member's GP-Related Member Interest in the Company 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 or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Member shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her 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 Regular Member for such purpose (and, if the Managing Member so designates, such Regular 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 have the Company issue to the Withdrawn Member a subordinated promissory note 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 in relation to such Member's GP-Related Member Interest. 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 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 or her 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 or her estate such excess, or to charge the Withdrawn Member or his or her 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 Prime Rate or (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 or her GP-Related Member Interest shall be settled in accordance with paragraphs (a)-(r) of this Section

6.5; provided however, 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 or she has an interest as of his or her 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 or her 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 or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 or her subordinated promissory note, 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. The provisions of this Section 6.5 shall apply to any Investor Regular Member relating to another Regular 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.

(p) (i) The Company will assist a Withdrawn Member or his or her 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 or her estate.

(ii) The Managing Member 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 Managing Member will obtain the prior approval of a Withdrawn Member or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his or her estate or guardian) declines to incur such costs, the Managing Member 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.

(q) 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, consents, ratifications, 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. Termination of the Company. The Managing Member may dissolve the Company 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, the Members' respective interests in the Company shall be valued and settled in accordance with the procedures set forth in Section 6.5, which provides for allocations to the GP-Related Capital Accounts of the Members and distributions in accordance with the capital account balances of the Members.

Section 6.7. Certain Tax Matters. (a) The Managing Member shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Company, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 Partner (as defined below) shall be authorized to act for, and his or her 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 Partner 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 or she 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 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 Company or the Tax Matters Partner or with respect to any such amended return or claim for refund filed by the Company or the Tax Matters Partner or in any such administrative or judicial proceedings conducted by the Company or the Tax Matters Partner. The Company and each Member hereby designate any Member selected by the Managing Member as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable (the "*Tax Matters Partner*"). 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 Treasury 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

Section 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 and the Capital Commitment BCP VII Interest and matters related to the Capital Commitment Member Interests and the Capital Commitment BCP VII 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 VII 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 direct or indirect capital contributions to BCP VII, in respect of the Capital Commitment BCP VII Interest, if any, and the related Capital Commitment BCP VII Commitment, if any. No Member shall be obligated to make Capital Commitment-Related Capital Contributions to the Company in an amount in excess of such Member’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, 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 Capital Commitment BCP VII Commitment, if any, 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 Managing Member 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 Managing Member or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Regular Member (including any additional Member admitted to the Company pursuant to Section 6.1 but excluding any Members that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Company from such Regular Member with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Regular Member shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Regular 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 Regular 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 Regular Member of such rate upon such Regular Member's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Regular 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 Regular 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.

Section 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-Related Capital Contribution of a Member shall be credited to the appropriate Capital Commitment Capital Account of such Member on the date such Capital Commitment-Related 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 or her 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.

Section 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 Section 7.7 shall be specially allocated to the electing Regular Member.

(c) Notwithstanding the foregoing, the Managing Member may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the Managing Member deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Member's allocable portion of Capital Commitment Net Income received from his or her 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 (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and 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 other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Member pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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-Related 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 any Blackstone Collateral Entity (other than the Company) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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.

To the extent there is a partial disposition of a Capital Commitment Investment or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the Managing Member 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 or her 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 its sole discretion elects 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 Blackstone. 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 Section 7.4(a).

(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 BCP VII (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 the Company is obligated (whether directly or indirectly through BMA VII) under the Giveback Provisions to contribute to BCP VII all or a portion of a Giveback Amount with respect to the Capital Commitment BCP VII Interest (the amount of any such obligation of the Company being herein called a “*Capital Commitment Giveback Amount*”), the Managing Member shall call for such amounts as are necessary to satisfy such obligation of the Company 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 Managing Member, such an amount of prior distributions by the Company with respect to the Capital Commitment BCP VII 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 VII 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 VII Investments other than the one giving rise to such obligation, and (c) all Capital Commitment BCP VII Investments, if the Giveback Amount is relating to an Other Giveback Amount (as defined in the BCP VII 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 Managing Member may, in 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 Managing Member 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 Reconstitution Amount any amounts otherwise payable to the Capital Commitment Defaulting Party by the Company or any Affiliate thereof. Each Member hereby grants to the Managing Member 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 Managing Member may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Member hereby appoints the Managing Member 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 Managing Member shall be entitled to collect interest on the Capital Commitment Reconstitution Amount of a Capital Commitment Defaulting Party from the date such Capital Commitment Reconstitution 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.

Section 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 VII (or any other Affiliate of the Company that is a direct or indirect general partner of BCP VII) in valuing investments of BCP VII or, in the case of investments not held by BCP VII, 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 unless otherwise determined by the Managing Member in its sole discretion.

Section 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.

Section 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

Section 8.1. Regular 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 Non-Contingent for purposes hereof based upon the proportion

of (a) the sum of Capital Commitment-Related 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-Related 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 Regular Member may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Regular Member prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Regular Member is no longer an employee or officer of Blackstone, 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 Regular Member's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Regular Member shall apply *pro rata* against all of such Regular Member's Investor Notes; provided, that such Regular Member may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Regular Member. 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 Regular Member ceasing to be an officer or employee of the Managing Member or any of its Affiliates, other than as a result of such Regular Member dying or suffering a Total Disability, such Regular 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 Regular 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 shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Regular 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 or her 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 Managing Member 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 or her related Investor Note shall be payable in full. If neither the Withdrawn Member nor the Company nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Member shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Member in his or her 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 or her option, and the Managing Member 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 Regular Member, such Regular Member shall thereupon cease to be a Member with respect to such Regular Member's Capital Commitment Member Interest. If such a Final Event shall occur, no Successor in Interest to any such Regular 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 Regular 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 Regular 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 or her 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 Regular 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 Managing Member knows or has reason to know of such Regular 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, personal representative

or other Successor in Interest, 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 Regular Member, if the estate, personal representative or other Successor in Interest of such Regular Member so requests in writing within 180 days of the Regular Member's death or ceasing to be an employee or member (directly or indirectly) of the Managing Member 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 Regular 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 Regular Member shall be required to include appropriate provisions in his or her 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, personal representative or other Successor in Interest of such Regular Member, within 30 days of the first date on which the Managing Member knows or has reason to know of such Regular Member's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Regular 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 or her ceasing to be an employee or officer of the Managing Member 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 or her 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 Regular Member or another Affiliate of the Managing Member) 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 Managing Member 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 Managing Member's designee(s), Blackstone 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 (excluding any of the foregoing who is an executive officer of Blackstone). 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 Regular 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 Regular 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 Regular 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 Regular Members of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Regular Members; provided, that a Regular Member shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her 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 or her 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 or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; 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) 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 or her 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 or her estate.

(i) The Managing Member 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 Managing Member will obtain the prior approval of a Withdrawn Member or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Member (or his or her estate or guardian) declines to incur such costs, the Managing Member 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) To the extent permitted by applicable law, each Regular Member hereby irrevocably appoints each Managing Member as such Regular Member's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Regular Member's name, place and stead, to make, execute, sign and file, on behalf of such Regular Member, any and all agreements, instruments, consents, ratifications, 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 Regular Member or the Company or the exercise of any right of such Regular 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 Regular Member for any reason and shall not be affected by the death, disability or incapacity of such Regular Member.

Section 8.2. Transfer of Regular Member's Capital Commitment Interest. Without the prior written consent of the Managing Member, no Regular Member or former Regular 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 (i) Transfers as permitted in Section 8.1 above and subject to the LLC Act, in the case of the purchase of a Withdrawn Member's or deceased or Totally Disabled Regular Member's Capital Commitment Interests, (ii) with the prior written consent of the Managing Member, which shall not be unreasonably withheld, Transfers by a Regular Member to another Regular Member of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the Managing

Member, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the Managing Member, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Regular Member's Capital Commitment Member Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the Managing Member to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the Managing Member in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Company). 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 interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). The Managing Member may at its sole option exercisable at any time require such Estate Planning Vehicle to Withdraw from the Company on the terms of Section 8.1 and Article VI. No person acquiring an interest in the Company pursuant to this Section 8.2 shall become a Regular 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 Regular Member pursuant to Section 6.1. A Regular 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 membership interest in the Company in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no 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

Section 9.1. Dissolution. The Company shall be dissolved and subsequently terminated:

- (i) pursuant to Section 6.6; or
- (ii) upon the expiration of the term of the Company.

(b) When the Company is dissolved, the business and property of the Company shall be wound up and liquidated by the Managing Member or, in the event of the unavailability of the Managing Member, such Regular Member or other liquidating trustee as shall be named by the a Majority in Interest of the Members (excluding Nonvoting Special Members) (the Managing Member, such Regular Member or other liquidating trustee, as the case may be, being hereinafter referred to as the "Liquidator").

Section 9.2. Final Distribution.

(a) Within 120 calendar days after the effective date of dissolution of the Company, the assets of the Company 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 Company;
- (ii) to pay all creditors of the Company, other than Members, either by the payment thereof or the making of reasonable provision therefor;
- (iii) to establish reserves, in amounts established by the Managing Member or the Liquidator, to meet other liabilities of the Company; and
- (iv) to pay, in accordance with the terms agreed among them and otherwise on a *pro rata* basis, all creditors of the Company that are Members, either by the payment thereof or the making of reasonable provision therefor.

(b) The remaining assets of the Company shall be applied and distributed among the Members as follows:

(i) With respect to each Member's GP-Related Member Interest, the remaining assets of the Company shall be applied and distributed to such Member 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related Capital Accounts on liquidation, all unrealized gains, losses and accrued income and deductions of the Company shall be treated as realized and recognized immediately before the date of distribution; 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.

Section 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 or her *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

Section 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, New York U.S.A. 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Company acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Company to use BLACKSTONE in its name. The Company acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Company understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The Managing Member may, or may cause the Company to, enter or has previously entered, into separate letter agreements with individual Members with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. 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.

Section 10.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to principles of conflicts of law. 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 10.6. Successors and Assigns; Third Party Beneficiaries. 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 and Article 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 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 standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Recontribution Amounts and/or any 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, solely to the extent required by the BCP VII Agreements, (x) the limited partners in BCP VII shall be a third-party beneficiaries of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BCP VII Partnership Agreement), and (y) the amendment of the provisions of Section 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BCP VII Partnership Agreement), shall be effective against such limited partners only with the Combined Limited Partner Consent (as such term is used in the BCP VII Partnership Agreement).

Section 10.7. Member's Will. Each Regular Member and Withdrawn Member shall include in his or her will a provision 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 Regular Member and Withdrawn Member shall confirm annually to the Company, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Member or Withdrawn Member to which a portion of such Regular 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 Regular Member or Withdrawn Member fails to comply with the provisions of this Section 10.7 after the Company has notified such Regular Member or Withdrawn Member of his or her 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 Regular Member or Withdrawn Member until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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 however, 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 Regulations 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 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.

Section 10.9. Notices. Whenever notice is required or permitted by this Agreement to be given, such notice shall be in writing (including teletype or similar writing) and shall be given by hand delivery (including any courier service) or teletype to any Member at its address or teletype number shown in the books and records of the Company or, if given to the Managing Member or the Company, at the address or teletype number of the Company in New York City. Each such notice shall be effective (i) if given by teletype, upon dispatch, and (ii) if given by hand delivery, when delivered to the address of such Member or the Managing Member or the Company specified as aforesaid.

Section 10.10. 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 10.11. 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 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.

Section 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.

Section 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 date first above written. In the event that it is impracticable to obtain the signature of any one or more 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.P., its general partner

By: Blackstone Holdings III GP Management L.L.C., its
general partner

By: /s/ John G. Finley

Name: John G. Finley

Title: Chief Legal Officer

[BMA VII L.L.C. – Amended and Restated Limited Liability Company Agreement – Signature Page]

HIGHLY CONFIDENTIAL & TRADE SECRET

BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL L.P.

AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP

Dated February 16, 2016
Effective as of July 15, 2015

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “INTERESTS”) OF BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL L.P. (THE “PARTNERSHIP”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL L.P.

AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of July 15, 2015, of Blackstone Property Associates International L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between Blackstone Property International Ltd., a Cayman Islands exempted company (the “*Cayman GP*”), Blackstone Property International L.L.C., a Delaware limited liability company (the “*Delaware GP*”), and, together with the Cayman GP, the “*General Partners*” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner, entered into an Initial Exempted Limited Partnership Agreement dated March 16, 2015 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of Blackstone Property Associates International L.P.; and

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties July 15, 2015, and hereby amend and restate the Original Agreement in its entirety with a deemed effective date as between the parties July 15, 2015, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Exempted Limited Partnership, 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 paragraphs 2.8 of the BPPI Partnership Agreement and the BPPG Partnership Agreement, or any other “Alternative Vehicle” (as defined in any other BPPG Agreements or BPPI Agreements).

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially

similar investment objectives to BREP VII, BREP VIII, the BREDs Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BPPG*” means (i) Blackstone Property Partners Global – NJ L.P., a Cayman Islands exempted limited partnership, (ii) any Alternative Vehicles (as defined in the BPPG Partnership Agreement) or (iii) any other investment vehicle established pursuant to Article 2 of the BPPG Partnership Agreement.

“*BPPG Agreements*” is the collective reference to the BPPG Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) or (iii) of the definition of “BPPG.”

“*BPPG Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners Global – NJ L.P., dated October 23, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BPPI*” means (i) Blackstone Property Partners International – A L.P., a Cayman Islands exempted limited partnership, (ii) any Alternative Vehicles or Parallel Funds (as defined in the BPPI Partnership Agreement), or (iii) any other investment vehicle established pursuant to Article 2 of the BPPI Partnership Agreement.

“*BPPI Agreements*” is the collective reference to the BPPI Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) or (iii) of the definition of “BPPI.”

“*BPPI Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners International – A L.P., dated July 15, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“*Capital Commitment BPPG/BPPI Commitment*” means the respective Capital Commitment (as defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable), if any, of the Partnership to BPPG or BPPI that relates solely to the Capital Commitment Interest, if any.

“*Capital Commitment BPPG/BPPI Interest*” means the respective Interest (as defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG or BPPI.

“*Capital Commitment BPPG/BPPI Investment*” means the Partnership’s interest in a specific investment of BPPG or BPPI, as applicable, held by the Partnership through the Capital Commitment BPPG/BPPI Interest.

“*Capital Commitment Capital Account*” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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

Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BPPG/BPPI Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“ *Capital Commitment Investment* ” means any Capital Commitment BPPG/BPPI Investment, but shall exclude any GP-Related Investment.

“ *Capital Commitment Liquidating Share* ” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“ *Capital Commitment Net Income (Loss)* ” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“*Capital Commitment Partner Interest*” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment BPPG/BPPI Interest.

“*Capital Commitment Profit Sharing Percentage*” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“*Capital Commitment Recontribution Amount*” has the meaning set forth in Section 7.4(g)(i).

“*Capital Commitment-Related Capital Contributions*” has the meaning set forth in Section 7.1(a)(ii).

“*Capital Commitment-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and (ii) any other carried interest distribution to a Fund GP pursuant to any BPPG Agreement or BPPI Agreement, as applicable. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in

any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony under U.S. law 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“*Cayman GP*” means Blackstone Property International Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

“*CC Carried Interest*” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of

the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “*CC Carried Interest*” includes any amount initially received by an Affiliate of the Partnership from any fund (including BPPG, BPPI, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount” and the “Interim Clawback Amount,” both as defined in Article One of the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and any other clawback amount payable to the limited partner of BPPG or limited partners of BPPI, as applicable, or to BPPG pursuant to any BPPG Agreement or to BPPI pursuant to any BPPI Agreement, as applicable.

“*Clawback Provisions*” means paragraphs 4.2.9 and 9.2.8 of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable, and any other similar provisions in any other BPPG Agreement or BPPI Agreement existing heretofore or hereafter entered into.

“*Code*” means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

“*Commitment Agreement*” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“*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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Delaware GP*” means Blackstone Property International L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“*Disabling Event*” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) seeks, consents to, or acquiesces in, the appointment of a trustee, receiver or liquidator of a General Partner or of all or substantially all of its properties.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“*Firm Advances*” has the meaning set forth in Section 7.1(b).

“*Firm Collateral*” means 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* ” means a calendar year, or any other period chosen by the General Partner.

“ *Fund GP* ” means the Partnership (only with respect to the GP-Related BPPG/BPPI Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” or “ *General Partners* ” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount* ” means the “Investment Specific Giveback Amount,” as such term is defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and any other similar provisions in any other BPPG Agreement or BPPI Agreement, as applicable, existing heretofore or hereafter entered into.

“ *GP-Related BPPG/BPPI Interest* ” means the exempted limited partnership interest held by the Partnership in BPPG and BPPI, as applicable, in the Partnership’s capacity as general partner of BPPG and BPPI, as applicable, excluding any Capital Commitment BPPG/BPPI Interest.

“ *GP-Related BPPG/BPPI Investment* ” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the BPPG Partnership and BPPI Agreement, as applicable) in the Partnership’s capacity as the general partner of BPPG and BPPI, as applicable, but does not include any Capital Commitment Investment.

“ *GP-Related Capital Account* ” has the meaning set forth in Section 5.2(a).

“ *GP-Related Capital Contributions* ” has the meaning set forth in Section 4.1(a).

“ *GP-Related Class A Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“ *GP-Related Class B Interest* ” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related BPPG/BPPI Interest (including, without limitation, any GP-Related BPPG/BPPI Investment, but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related BPPG/BPPI Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“*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 BPPG/BPPI Investment as of any date means the GP-Related Net Income (Loss) that

would be realized by the Partnership with respect to such GP-Related BPPG/BPPI Investment if BPPG's or BPPI's (as applicable) 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 BPPG or BPPI, as applicable, to the Partnership pursuant to any BPPG Agreement or BPPI Agreement, as applicable, with respect to such GP-Related BPPG/BPPI Investment were made on such date. "GP-Related Unrealized Net Income (Loss)" attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

"*GSO Fund*" means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

"*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 III L.P., a Québec société en commandite.

"*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 or her person or his or her property.

"*Initial Holdback Percentages*" has the meaning set forth in Section 4.1(d)(i).

"*Initial Limited Partner*" means Mapcal Limited.

"*Interest*" means a Partner's exempted limited partnership interest in the

Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner's GP-Related Partner Interest and Capital Commitment Partner Interest.

"*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

"*Investor Limited Partner*" means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

"*Investor Note*" means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

"*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 Partner*" has the meaning set forth in Section 4.1(d)(vi).

"*Lender or Guarantor*" means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

"*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 and any Nonvoting Limited Partner.

"*Liquidator*" has the meaning set forth in Section 6.6.

“ *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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“ *Moody’s* ” means Moody’s Investors Service, 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(d)(i)(A).

“ *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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *Parallel Fund* ” means any additional collective investment vehicle (or other similar arrangement) formed pursuant to Section 2.9 of the BPPI Partnership Agreement.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means Blackstone Property Associates International L.P., an exempted limited partnership registered in the Cayman Islands.

“ *Partnership Act* ” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Partner* ” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests*” has the meaning set forth in Section 8.1(f).

“*U.S.*” means the United States of America.

“*Winding Up Event*” has the meaning set forth in Section 9.1(a).

“*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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect

additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name ; Foreign Jurisdictions. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone Property Associates International L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act:

(i) to serve as the general partner of BPPG and BPPI (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a general partner of BPPG and BPPI (including any Alternative Vehicle and any Parallel Fund) specified in the BPPG Agreements and the BPPI Agreements;

(ii) to serve as, and hold the Capital Commitment BPPG/BPPI Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG and BPPI (including any Alternative Vehicle and any Parallel Fund) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG and BPPI (including any Alternative Vehicle and any Parallel Fund) specified in the BPPG Agreements and the BPPI Agreements;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BPPG and/or BPPI (including any Alternative Vehicle and any Parallel Fund)), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the BPPG Agreement, the BPPI Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, provided, that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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;

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- (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 Partnership 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 Partnership;
- (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 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;
- (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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall (a) receive a return of any capital contribution made by it to the Partnership, (b) withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be July 15, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the "General Partners" subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership's business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the “General Partner” or “General Partners” in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the “General Partner” or “General Partners” means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners’ discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners’ 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BPPG or BPPI, or in the Partnership’s capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership’s obligations under the BPPG Agreements and the BPPI Agreements, including, without

limitation, serving as a general partner of BPPG and BPPI, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate, and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BPPG Agreements, BPPI Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, are hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 et seq., as amended, or otherwise (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of BPPG or BPPI, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BPPG Agreements and BPPI Agreements and each Partnership Affiliate Governing Agreement, (II) subscription agreements and documents on behalf of BPPG, BPPI and/or the Partnership, (III) side letters issued in connection with investments in BPPG or BPPI on behalf of BPPG, BPPI and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and

(C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, BPPG, BPPI or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, BPPG, BPPI or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BPPG or BPPI or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, BPPG, BPPI and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, BPPG, BPPI or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, BPPG, BPPI or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, BPPG, BPPI or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, BPPG, BPPI or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, "*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Partnership's obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BPPG, BPPI and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BPPG or BPPI, as applicable; second, by the applicable portfolio entity through which such investment is indirectly held and third, by BPPG or BPPI, as applicable (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from, as applicable, BPPG, BPPI and/or a portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by, as applicable, BPPG, BPPI and/or a portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against BPPG or BPPI, as applicable, and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a

loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) (“ W-8BEN ”), IRS Form W -8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) (“ W-8BEN-E ”), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting (“ 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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership (“ GP-Related Capital Contributions ”) at such times and in such amounts (the “ GP-Related Required Amounts ”) as are required to satisfy the Partnership’s obligation to make capital contributions to BPPG and BPPI, as applicable, in respect of the GP-Related BPPG/BPPI Interest with respect to any GP-Related BPPG/BPPI Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner’s Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner’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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner’s GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related BPPG/BPPI Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner’s and such Partner Category’s “*Holdback Percentage*”). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the “*Initial Holdback Percentages*”). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a “*Holdback Vote*”); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner’s Holdback Percentage unless such voting Partner determines, in such Partner’s good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner’s successors or assigns (including such Subject Partner’s estate or heirs) who at the time of such vote holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Recontribution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner’s interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or

otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an “*L/C*”) for the benefit of the Trustee(s) 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 (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 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 BPPG or BPPI, as applicable, 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 General Partner on behalf of the Partnership 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 Partner’s obligation relating to the Partnership’s obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners' GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners' 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 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. No Partner may withdraw capital related to such Partner's GP-Related Partner Interests 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) GP-Related 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) "*GP-Related Net Income (Loss)*" from any activity of the Partnership related to the GP-Related BPPG/BPPI Interest 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).

"*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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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’ 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 Partners’ average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related BPPG/BPPI Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related BPPG/BPPI Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the "*GP-Related Profit Sharing Percentage*") of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner's GP-Related 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 GP-Related 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 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 a “*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BPPG or BPPI, as applicable, and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to BPPG or BPPI, as applicable, with respect to the GP-Related BPPG/BPPI Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BPPG or BPPI, as applicable, and (ii) GP-Related Net Loss relating to realized losses suffered by BPPG or BPPI, as applicable, and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to BPPG or BPPI, as applicable, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but

only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related BPPG/BPPI Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BPPG or BPPI, as applicable, of a portion of a GP-Related Investment is being considered by the Partnership (a "*GP-Related Disposable Investment*"), at the election of the General Partner each Partner's GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner's "*GP-Related Class B Interest*"), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner's "*GP-Related Class A Interest*"). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BPPG or BPPI, as applicable) 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 BPPG or BPPI, as applicable) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership's having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to BPPG or BPPI a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related BPPG/BPPI Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a “*GP-Related Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the “*GP-Related Recontribution Amount*”) which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner’s *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BPPG/BPPI 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 BPPG/BPPI Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related BPPG/BPPI Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BPPG/BPPI Investment, all GP-Related BPPG/BPPI Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner’s or Withdrawn Partner’s GP-Related 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 General Partner, 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 Partnership’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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner’s and Withdrawn Partner’s GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner’s Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution

Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the BPPG Agreements and the BPPI Agreements, as applicable, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member's *pro rata* share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement or BPPI Partnership Agreement, as applicable) and solely to the extent the Partnership has insufficient funds to meet the Partnership's obligations under paragraph 9.2.8(a) of, as applicable, the BPPG Partnership Agreement and/or the corresponding provisions under any other BPPG Agreement, or the BPPI Partnership Agreement and/or the corresponding provisions under any other BPPI Agreement.

- (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 General Partner's call for GP-Related Reconstitution 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 GP-Related Reconstitution 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 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 GP-Related 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 GP-Related Reconstitution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (a "*GP-Related Defaulting Party*") fails to recontribute all or any portion of such GP-Related Defaulting Party's Net GP-Related Reconstitution Amount for any reason, the General Partner 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 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 Reconstitution Amount (a "*GP-Related Deficiency Contribution*") if the General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Reconstitution Amount initially requested from such Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 Reconstitution Amount any amounts otherwise payable to the GP-Related 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Reconstitution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Reconstitution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the BPPG Agreements and BPPI Agreements, as applicable) on GP-Related BPPG/BPPI 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 GP-Related BPPG/BPPI 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 GP-Related BPPG/BPPI Investment (the “*Subject Investment*”) that have been reduced under any BPPG Agreement or BPPI Agreement, as applicable, 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 or her 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 BPPG or BPPI, as applicable) 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 BPPG or BPPI, as applicable) 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 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 or her 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 BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable) 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 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 Reconstitution Amount promptly upon notice from the General Partner (as provided above) shall be deemed a GP-Related Defaulting Party for all purposes hereof.

A Partner may satisfy in part any Net Carried Interest Distribution Reconstitution 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 Reconstitution Amount contributed to the Partnership by such Partner).

Any Net Carried Interest Distribution Reconstitution 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 GP-Related BPPG/BPPI Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related BPPG/BPPI Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related BPPG/BPPI 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 BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable.

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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) 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. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a “qualified income offset” as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner’s Investor Note issued to finance such Limited Partner’s purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner’s Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners .

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner.

Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining

General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner ' s GP-Related Partner Interest .

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “ *Settlement Date* ” means the date as of which a Withdrawn Partner’s GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner’s GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner’s Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner’s Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner’s GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner’s Settlement Date, (i) determine and allocate to the Withdrawn Partner’s GP-Related Capital Accounts such Withdrawn Partner’s allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner’s Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner’s GP-Related Profit Sharing Percentages shall, unless otherwise allocated by

the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner’s GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "Liquidator"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not,

unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS;
ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment BPPG/BPPI Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment BPPG/BPPI 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 Partner Interests or the GP-Related BPPG/BPPI Interest.

(ii) Each Partner (other than the Cayman GP) severally, agrees to make contributions of capital to the Partnership (“*Capital Commitment-Related Capital Contributions*”) as required to fund the Partnership’s direct or indirect capital contributions to BPPG or BPPI, as applicable, in respect of the Capital Commitment BPPG/BPPI Interest, if any, and the related Capital Commitment BPPG/BPPI Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner’s Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership’s portion of the Capital Commitment BPPG/BPPI Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner’s Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until

the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner's request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank pari passu with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner's interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to

such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership, BPPG or BPPI (a "*Capital Commitment Disposable Investment*"), at the election of the General Partner each

Partner'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 Partner's "*Capital Commitment Class B Interest*"), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner's "*Capital Commitment Class A Interest*"). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to BPPG or BPPI, as applicable, all or a portion of a Giveback Amount with respect to the Capital Commitment BPPG/BPPI Interest (the amount of any such obligation of the Partnership being herein called a "*Capital Commitment Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership, 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment BPPG/BPPI Interest (the "*Capital Commitment Recontribution Amount*") which equals such Partner's *pro rata* share of prior distributions in connection with (a) the Capital Commitment BPPG/BPPI 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 BPPI/BPPG Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner's Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner's discretion (but shall be under no obligation to), provide notice that in the General Partner'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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner's failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner's obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of BPPG or BPPI, as applicable) in valuing investments of BPPG and BPPI, as applicable, or, in the case of investments not held by BPPG and BPPI, as applicable, in the good faith judgment of the General Partner, 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 General Partner

in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership's execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner's *pro rata* share of such Capital Commitment Investment (the "*Retained Portion*") and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days' notice to distribute such Retained Portion to such Partner. Such Partner's Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership's disposition of other Partners' *pro rata* shares of such Capital Commitment Investment; provided, that such Partner's Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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.

WITHDRAWAL; ADMISSION OF NEW PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to

withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the

General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent

permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution.

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “ Winding Up Event .”

Section 9.2. Final Distribution .

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

(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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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, New York U.S.A. 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. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. (“*TM*”), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM’s 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Reconstitution Amounts and any Capital Commitment Reconstitution 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Reconstitution Amounts and/or any Capital Commitment Reconstitution 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, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the BPPG Agreements and the BPPI Agreements, as applicable, (x) the limited partner in BPPG and the limited partners in BPPI, as applicable, shall be third-party beneficiaries of the provisions of Sections 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable), and (y) the amendment of the provisions of Sections 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable), shall be effective against such limited partners only with, as applicable, Consent (as such term is defined in the BPPG Partnership Agreement) or the Combined Limited Partner Consent (as such term is defined in the BPPI Partnership Agreement). Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BLACKSTONE PROPERTY INTERNATIONAL L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BLACKSTONE PROPERTY INTERNATIONAL LTD.

By: Blackstone Real Estate Holdings Director L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Bryony Robottom

Name: Bryony Robottom

[Signature Page to Blackstone Property Associates International A&R LPA]

HIGHLY CONFIDENTIAL & TRADE SECRET

BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL-NQ L.P.

AMENDED AND RESTATED
AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP

Dated February 16, 2016
Effective as of July 28, 2015

THE EXEMPTED LIMITED PARTNERSHIP INTERESTS (THE “INTERESTS”) OF BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL-NQ L.P. (THE “PARTNERSHIP”) HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES OR ANY OTHER APPLICABLE SECURITIES LAWS IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. SUCH INTERESTS 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, THE EXEMPTED LIMITED PARTNERSHIP ACT OF THE CAYMAN ISLANDS, ANY APPLICABLE STATE SECURITIES LAWS, AND ANY OTHER APPLICABLE SECURITIES LAWS; AND (II) THE TERMS AND CONDITIONS OF THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THE INTERESTS MAY NOT BE TRANSFERRED OF RECORD EXCEPT IN COMPLIANCE WITH SUCH LAWS AND THIS AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP. THEREFORE, PURCHASERS OF SUCH INTERESTS WILL BE REQUIRED TO BEAR THE RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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BLACKSTONE PROPERTY ASSOCIATES INTERNATIONAL-NQ L.P.

AMENDED AND RESTATED AGREEMENT OF EXEMPTED LIMITED PARTNERSHIP, dated February 16, 2016 and with a deemed effective date of July 28, 2015, of Blackstone Property Associates International-NQ L.P., a Cayman Islands exempted limited partnership (the “*Partnership*”), by and between Blackstone Property International Ltd., a Cayman Islands exempted company (the “*Cayman GP*”), Blackstone Property International-NQ L.L.C., a Delaware limited liability company (the “*Delaware GP*”), and, together with the Cayman GP, the “General Partners” or, collectively, the “*General Partner*”), Mapcal Limited (the “*Initial Limited Partner*”), as initial limited partner, and the limited partners listed in the books and records of the Partnership, as limited partners.

WITNESSETH

WHEREAS, the Delaware GP as general partner, and the Initial Limited Partner, entered into an Initial Exempted Limited Partnership Agreement dated July 22, 2015 (the “*Original Agreement*”) and formed an exempted limited partnership under the laws of the Cayman Islands under the name of Blackstone Property Associates International-NQ L.P.; and

WHEREAS, the parties hereto have executed this Agreement on February 16, 2016, with a deemed effective date as between the parties July 28, 2015, and hereby amend and restate the Original Agreement in its entirety with a deemed effective date as between the parties July 28, 2015, and reflect the withdrawal of the Initial Limited Partner as provided herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein made and intending to be legally bound, the parties hereto hereby agree that the Original Agreement shall be amended and restated in its entirety 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:

“*Adjustment Amount*” has the meaning set forth in Section 8.1(b).

“*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 Partnership), directly or indirectly, through one or more intermediaries, controlling, controlled by, or under common control with, such other person, which may include, for greater certainty, endowment funds, charitable programs and other similar and/or related vehicles or accounts associated with or established by Blackstone and/or its affiliates, partners and current and/or former employees.

“*Agreement*” means this Amended and Restated Agreement of Exempted Limited Partnership, as it may be further amended, supplemented, restated or otherwise modified from time to time.

“*Alternative Vehicle*” means any “Alternative Vehicle” (as defined in the BPPI Main Fund Partnership Agreement and the BPPG Main Fund Partnership Agreement or any other BPPG Agreements or BPPI Agreements).

“*Applicable Collateral Percentage*,” with respect to any Firm Collateral or Special Firm Collateral, has the meaning set forth in the books and records of the Partnership 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 or her 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 or her inability to pay his or her debts as they become due; (iii) the failure of such person to pay his or her 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 or her consenting to, or defaulting in answering, a Bankruptcy petition filed against him or her 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 or her assets and the continuance of such order, judgment or decree unstayed and in effect for a period of 60 consecutive days.

“*BCE Agreement*” means the limited partnership agreement, limited liability company agreement or other governing document of any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity,” as such limited partnership agreement, limited liability company agreement or other governing document may be amended, supplemented, restated or otherwise modified to date, and as such limited partnership agreement, limited liability company agreement or other governing document may be further amended, supplemented, restated or otherwise modified from time to time, and any Other Blackstone Collateral Entity limited partnership agreement, limited liability company agreement or other governing document.

“*BCE Investment*” means any direct or indirect investment by any Blackstone Collateral Entity.

“*BCOM*” is the collective reference to (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 VI*” is the collective reference to (i) Blackstone Capital Partners VI L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCP VII*” is the collective reference to (i) Blackstone Capital Partners VII L.P., a Delaware limited partnership and (ii) any Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BCTP*” means (i) Blackstone Clean Technology Partners L.P., a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP*” means (i) Blackstone Energy Partners L.P. and Blackstone Energy Partners Q L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BEP II*” means (i) Blackstone Energy Partners II L.P. and Blackstone Energy Partners II.F L.P., each a Delaware limited partnership and (ii) any other Alternative Investment Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above).

“*BFCOMP*” means Blackstone Family Communications Partnership I L.P., Blackstone Family Communications Partnership I-SMD L.P. and any other entity 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 General Partner (which includes serving as general partner of such funds).

“*BFGSO*” means any entity formed to invest side-by-side with any GSO Fund and any other entity that is an Affiliate thereof and that has terms substantially similar to those of the foregoing partnerships or other entities and is formed in connection with the participation by one or more partners or other equity owners thereof directly or indirectly in investments in securities also purchased by any GSO Fund or any other funds with substantially similar investment objectives to any GSO Fund and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*BFIP*” means Blackstone Capital Associates II L.P., Blackstone Capital Associates III 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-A - SMD L.P., Blackstone Family Investment Partnership V L.P., Blackstone Family Investment Partnership V- SMD L.P., Blackstone Family Investment Partnership VI L.P., Blackstone Family Investment Partnership VI-SMD L.P., Blackstone Family Investment Partnership VII - ESC L.P., Blackstone Family Cleantech Investment Partnership L.P., Blackstone Family Cleantech Investment Partnership - SMD L.P., Blackstone Energy Family Investment Partnership L.P., Blackstone Energy Family Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership L.P., Blackstone Family Tactical Opportunities Investment Partnership - SMD L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P., Blackstone Family Tactical Opportunities Investment Partnership (Cayman) - SMD L.P., Blackstone Energy Family Investment Partnership II 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 VI, BCP VII, BCTP, BEP, BEP II, BTO or any other fund with substantially similar investment objectives to BCP VI, BCP VII, BCTP, BEP, BEP II or BTO and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*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 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-SMD L.P., Blackstone Family Real Estate Partnership IV-SMD L.P., Blackstone Family Real Estate Partnership International II-SMD L.P., Blackstone Family Real Estate Partnership V-SMD L.P., Blackstone Family Real Estate Partnership VI-SMD L.P., Blackstone Family Real Estate Partnership VII-SMD L.P., Blackstone Family Real Estate Partnership VIII-SMD L.P., Blackstone Family Real Estate Partnership Europe III-SMD L.P., Blackstone Family Real Estate Special Situations Partnership - SMD L.P., Blackstone Family Real Estate Special Situations Partnership Europe - SMD 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 IV L.P., Blackstone Real Estate Holdings International II L.P., Blackstone Real Estate Holdings V L.P., Blackstone Real Estate Holdings VI L.P., Blackstone Real Estate Holdings VII L.P., Blackstone Real Estate Holdings Europe III L.P., Blackstone Real Estate Holdings Europe IV L.P., Blackstone Real Estate Special Situations Holdings II L.P., Blackstone Real Estate Special Situations Holdings Europe L.P., Blackstone Family Real Estate Partnership Europe IV SMD L.P., Blackstone Real Estate Holdings Europe IV ESC L.P., Blackstone Family Real Estate Partnership Asia - SMD L.P., Blackstone Real Estate Holdings Asia - ESC L.P., Blackstone Real Estate Holdings VII-ESC L.P., Blackstone Real Estate Holdings VIII-ESC 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 VII, BREP VIII, the BREDS Funds, BREP Europe IV or BREP Asia and any other funds with substantially similar investment objectives to BREP VII, BREP VIII, the BREDS Funds, BREP Europe IV, BREP Asia or BPP and that are sponsored or managed by an Affiliate of the General Partner (which includes serving as general partner of such funds).

“*Blackstone*” means collectively, The Blackstone Group L.P., a Delaware limited partnership, and any Affiliate thereof (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund).

“*Blackstone Collateral Entity*” means any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFREP,” “BFIP,” “BFGSO,” “BFCOMP” or “Other Blackstone Collateral Entity.”

“*Blackstone Entity*” means any partnership, limited liability company or other entity (excluding any natural persons and any portfolio companies of any Blackstone-sponsored fund) that is an Affiliate of The Blackstone Group L.P.

“*BPP*” is the collective reference to (i) Blackstone Property Partners L.P., a Delaware limited partnership, (ii) any other Alternative Vehicles or Parallel Funds (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BPPG*” means (i) Blackstone Property Partners Global – NJ-NQ L.P., a Cayman Islands exempted limited partnership, (ii) any Alternative Vehicles (as defined in the BPPG Main Fund Partnership Agreement) relating to, or formed in connection with, the partnership referred to in clause (i) of this definition or (iii) any other investment vehicle established pursuant to Article 2 of the BPPG Partnership Agreement.

“*BPPG Agreements*” is the collective reference to the BPPG Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) or (iii) of the definition of “BPPG.”

“*BPPG Main Fund Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners Global – NJ L.P., dated October 23, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BPPG Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners Global – NJ-NQ L.P., dated October 30, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BPPI*” means (i) Blackstone Property Partners International – A-NQ L.P., a Cayman Islands exempted limited partnership, (ii) any Alternative Vehicles relating to, or formed in connection with, the partnership referred to in clause (i) of this definition, (iii) any other Parallel Funds (as defined in the BPPI Partnership Agreement) relating to, or formed in connection with, the partnership referred to in clause (i) of this definition or (iv) any other investment vehicle established pursuant to Article 2 of the BPPI Partnership Agreement.

“*BPPI Agreements*” is the collective reference to the BPPI Partnership Agreement and any governing agreement of any of the partnerships or other entities referred to in clause (ii) or (iii) of the definition of “BPPI.”

“*BPPI Main Fund Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners International – A L.P., dated July 15, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BPPI Partnership Agreement*” means the Amended and Restated Agreement of Exempted Limited Partnership of Blackstone Property Partners International – A-NQ L.P., dated July 28, 2015, as may be amended, supplemented, restated or otherwise modified from time to time.

“*BREDS Funds*” shall mean the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Real Estate Debt Strategies Group (including, without limitation, Blackstone Real Estate Special Situations Fund II L.P., Blackstone Real Estate Special Situations Fund II.1 L.P., Blackstone Real Estate Special Situations Fund II.2 L.P., Blackstone Real Estate Debt Strategies II L.P., Blackstone Real Estate Debt Strategies II – AC L.P., Blackstone Real Estate Debt Strategies II – Gaussian L.P., Blackstone Real Estate CMBS Fund L.P., Blackstone Real Estate Special Situations Europe L.P., Blackstone Real Estate Special Situations Europe 1 L.P., Blackstone Real Estate Special Situations Europe 2 L.P., Blackstone Commercial Real Estate Debt Fund L.P., Blackstone Real Estate Special Situations Fund L.P. and, in each case, any alternative vehicles, feeder vehicles or subsidiaries formed in connection therewith, any successor funds, any supplemental capital vehicles or other vehicles formed in connection therewith (or are otherwise related thereto) or in connection with any investments made thereby, and, in each case, any vehicles formed in connection with Blackstone’s side-by-side or additional general partner investments relating thereto).

“*BREP VII*” means (i) Blackstone Real Estate Partners VII L.P., Blackstone Real Estate Partners VII.TE.1 L.P., Blackstone Real Estate Partners VII.TE.2 L.P., Blackstone Real Estate Partners VII.TE.3 L.P., Blackstone Real Estate Partners VII.TE.4 L.P., Blackstone Real Estate Partners VII.TE.5 L.P., Blackstone Real Estate Partners VII.TE.6 L.P., Blackstone Real Estate Partners VII.TE.7 L.P., Blackstone Real Estate Partners VII.TE.8 L.P. and Blackstone Real Estate Partners VII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 VIII*” means (i) Blackstone Real Estate Partners VIII L.P., Blackstone Real Estate Partners VIII.TE.1 L.P., Blackstone Real Estate Partners VIII.TE.2 L.P. and Blackstone Real Estate Partners VIII.F L.P., each a Delaware limited partnership, (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each

as defined in the respective partnership agreements for the partnerships referred to in clause (i) above) 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 Asia*” is the collective reference to (i) Blackstone Real Estate Partners Asia L.P., a Cayman Islands exempted limited partnership, and Blackstone Real Estate Partners Asia.F L.P., a Delaware limited partnership (ii) any other Alternative Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above), or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BREP Europe IV*” is the collective reference to (i) Blackstone Real Estate Partners Europe IV L.P., a Cayman Islands exempted limited partnership, (ii) any other Alternative Investment Vehicles, Parallel Funds or other Supplemental Capital Vehicles (each as defined in the partnership agreement for the partnership referred to in clause (i) above) or (iii) any other investment vehicle established pursuant to Article 2 of the partnership agreement for the partnership referred to in clause (i) above.

“*BTO*” shall mean (i) the investment funds, vehicles and/or managed accounts managed on a day-to-day basis primarily by personnel in the Blackstone Tactical Opportunities Program (including, without limitation, Blackstone Tactical Opportunities Fund L.P. and Blackstone Tactical Opportunities Fund II L.P., each a Delaware limited partnership), (ii) any alternative investment vehicles relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, (iii) any parallel fund, managed account or other capital vehicle relating to, or formed in connection with, any of the partnerships referred to in clause (i) of this definition, and (iv) any other limited partnership, limited liability company or other entity (in each case, whether now or hereafter established) of which Blackstone Tactical Opportunities Associates L.L.C., Blackstone Tactical Opportunities Associates II L.L.C., BTOA L.L.C. or BTOA II L.L.C. serves, directly or indirectly, as the manager or managing member or in a similar capacity.

“*Business Day*” shall mean any day other than a Saturday, Sunday or other day on which banks are authorized or required by law to be closed in New York, New York, United States or the Cayman Islands.

“*Capital Commitment BPPG/BPPI Commitment*” means the respective Capital Commitment (as defined in the BPPG Main Fund Partnership Agreement and BPPI Main Fund Partnership Agreement, as applicable), if any, of the Partnership to BPPG or BPPI that relates solely to the Capital Commitment Interest, if any.

“*Capital Commitment BPPG/BPPI Interest*” means the respective Interest (as defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable), if any, of the Partnership as a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG or BPPI.

“ *Capital Commitment BPPG/BPPI Investment* ” means the Partnership’s interest in a specific investment of BPPG or BPPI, as applicable, held by the Partnership through the Capital Commitment BPPG/BPPI Interest.

“ *Capital Commitment Capital Account* ” means, with respect to each Capital Commitment Investment for each Partner, the account maintained for such Partner to which are credited such Partner’s contributions to the Partnership with respect to such Capital Commitment Investment and any net income allocated to such Partner 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 Partner and any net losses allocated to such Partner 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 Partners 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)(A).

“ *Capital Commitment Deficiency Contribution* ” has the meaning specified in Section 7.4(g)(ii)(A).

“ *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 Partnership with respect to such Capital Commitment Investment solely in respect of the Capital Commitment BPPG/BPPI Interest, if any, 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 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)(i).

“ *Capital Commitment Interest* ” means the interest of a Partner in a specific Capital Commitment Investment as provided herein.

“*Capital Commitment Investment*” means any Capital Commitment BPPG/BPPI Investment, but shall exclude any GP-Related Investment.

“*Capital Commitment Liquidating Share*” with respect to each Capital Commitment Investment means, in the case of dissolution of the Partnership, the related Capital Commitment Capital Account of a Partner (less amounts reserved in accordance with Section 9.3) immediately prior to dissolution.

“*Capital Commitment Net Income (Loss)*” with respect to each Capital Commitment Investment means all amounts of income received by the Partnership 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 Partnership allocated thereto and less reasonable reserves for payment of costs, fees and expenses of the Partnership anticipated to be allocated thereto.

“*Capital Commitment Partner Interest*” means a Partner’s exempted limited partnership interest in the Partnership with respect to the Capital Commitment BPPG/BPPI Interest.

“*Capital Commitment Profit Sharing Percentage*” with respect to each Capital Commitment Investment means the percentage interest of a Partner in Capital Commitment Net Income (Loss) from such Capital Commitment Investment set forth in the books and records of the Partnership.

“*Capital Commitment Recontribution Amount*” has the meaning set forth in Section 7.4(g)(i).

“*Capital Commitment-Related Capital Contributions*” has the meaning set forth in Section 7.1(a)(ii).

“*Capital Commitment-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s Capital Commitment Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*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*” means (i) “Carried Interest Distributions,” as defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and (ii) any other carried interest distribution to a Fund GP pursuant to any BPPG Agreement or BPPI Agreement, as applicable. In the case of each of (i) and (ii) above, except as determined by the General Partner, 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 GP-Related Investments as it determines in good faith is appropriate).

“*Carried Interest Give Back Percentage*” means, 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 or any Other Fund GPs or their Affiliates 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 or any Other Fund GP or any of their Affiliates (in any capacity) 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 or any Other Fund GPs 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 members, partners or other equity owners of the Partnership or 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 Partner in Carried Interest from such GP-Related 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 Partnership or any of its Affiliates or (z) such Partner’s committing to or engaging in any conduct or behavior that is or may be harmful to the Partnership or any of its Affiliates 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 actual fraud, misappropriation, dishonesty, embezzlement or similar conduct against the Partnership or any of its Affiliates; (iii) conviction (on the basis of a trial or by an accepted plea of guilty or nolo contendere) of a felony under U.S. law 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 business of the Partnership and its Affiliates or (B) the business of the Partnership and its Affiliates or (iv) becoming subject to an event described in Rule 506(d)(1)(i)-(viii) of Regulation D under the Securities Act.

“*Cayman GP*” means Blackstone Property International Ltd., a Cayman Islands exempted company and a general partner of the Partnership.

“*CC Carried Interest*” means, with respect to any Partner, the aggregate amount of distributions or payments received by such Partner (in any capacity) from Affiliates of the Partnership in respect of or relating to “carried interest”, including the amount of any bonuses received by a Partner as an employee of an Affiliate of the Partnership that relate to the amount of “carried interest” received by an Affiliate of the Partnership. “*CC Carried Interest*” includes any amount initially received by an Affiliate of the Partnership from any fund (including BPPG, BPPI, 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”).

“*Clawback Adjustment Amount*” has the meaning set forth in Section 5.8(e).

“*Clawback Amount*” means the “Clawback Amount” and the “Interim Clawback Amount,” both as defined in Article One of the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and any other clawback amount payable to the limited partner of BPPG or limited partners of BPPI, as applicable, or to BPPG pursuant to any BPPG Agreement or to BPPI pursuant to any BPPI Agreement, as applicable.

“*Clawback Provisions*” means paragraphs 4.2.9 and 9.2.8 of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable, and any other similar provisions in any other BPPG Agreement or BPPI Agreement existing heretofore or hereafter entered into.

“*Code*” means the U.S. 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 means, where appropriate, the corresponding provision in any successor statute.

“*Commitment Agreement*” means the agreement between the Partnership or an Affiliate thereof and a Partner, pursuant to which such Partner undertakes certain obligations, including the obligation to make capital contributions pursuant to Section 4.1 and/or Section 7.1. Each Commitment Agreement is hereby incorporated by reference as between the Partnership and the relevant Partner.

“*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 or other equity 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 3.6(a).

“*Deceased Partner*” means 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 Interest Rate*” means the lower of (i) the sum of (a) the Prime Rate and (b) 5% or (ii) the highest rate of interest permitted under applicable law.

“*Delaware Arbitration Act*” has the meaning set forth in Section 10.1(d).

“*Delaware GP*” means Blackstone Property International-NQ L.L.C., a Delaware limited liability company and a general partner of the Partnership.

“*Disabling Event*” means (a) the Withdrawal of a General Partner, other than in accordance with Section 6.4(a) or (b) 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 a proceeding described in clause (iv) or (vi) seeks, consents to, or acquiesces in, the appointment of a trustee, receiver or liquidator of a General Partner or of all or substantially all of its properties.

“*Estate Planning Vehicle*” has the meaning set forth in Section 6.3(a).

“*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 Partner*” means any Partner who is neither a Retaining Withdrawn Partner nor a Deceased Partner.

“*Final Event*” means the death, Total Disability, Incompetence, Bankruptcy, liquidation, dissolution or Withdrawal from the Partnership of any person who is a Partner in accordance with the Partnership Act.

“ *Firm Advances* ” has the meaning set forth in Section 7.1(b).

“ *Firm Collateral* ” means 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* ” means a calendar year, or any other period chosen by the General Partner.

“ *Fund GP* ” means the Partnership (only with respect to the GP-Related BPPG/BPPI Interest) and the Other Fund GPs.

“ *GAAP* ” means U.S. generally accepted accounting principles.

“ *General Partner* ” or “ *General Partners* ” means the Cayman GP and/or the Delaware GP, as applicable, and any person admitted to the Partnership as an additional or substitute general partner of the Partnership 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 Amount* ” means the “Investment Specific Giveback Amount,” as such term is defined in the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable.

“ *Giveback Provisions* ” means paragraph 3.4.3 of the BPPG Partnership Agreement and BPPI Partnership Agreement, as applicable, and any other similar provisions in any other BPPG Agreement or BPPI Agreement, as applicable, existing heretofore or hereafter entered into.

“ *GP-Related BPPG/BPPI Interest* ” means the exempted limited partnership interest held by the Partnership in BPPG and BPPI, as applicable, in the Partnership’s capacity as general partner of BPPG and BPPI, as applicable, excluding any Capital Commitment BPPG/BPPI Interest.

“ *GP-Related BPPG/BPPI Investment* ” means the Partnership’s interest in an Investment (for purposes of this definition, as defined in the BPPG Partnership and BPPI Agreement, as applicable) in the Partnership’s capacity as the general partner of BPPG and BPPI, as applicable, but does not include any Capital Commitment Investment.

“*GP-Related Capital Account*” has the meaning set forth in Section 5.2(a).

“*GP-Related Capital Contributions*” has the meaning set forth in Section 4.1(a).

“*GP-Related Class A Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Class B Interest*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Commitment*”, with respect to any Partner, means such Partner’s commitment to the Partnership relating to such Partner’s GP-Related Partner Interest, as set forth in the books and records of the Partnership, including, without limitation, any such commitment that may be set forth in such Partner’s Commitment Agreement or SMD Agreement, if any.

“*GP-Related Defaulting Party*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Deficiency Contribution*” has the meaning set forth in Section 5.8(d)(ii)(A).

“*GP-Related Disposable Investment*” has the meaning set forth in Section 5.8(a)(ii).

“*GP-Related Giveback Amount*” has the meaning set forth in Section 5.8(d)(i)(A).

“*GP-Related Investment*” means any investment (direct or indirect) of the Partnership in respect of the GP-Related BPPG/BPPI Interest (including, without limitation, any GP-Related BPPG/BPPI Investment, but excluding any Capital Commitment Investment).

“*GP-Related Net Income (Loss)*” has the meaning set forth in Section 5.1(b).

“*GP-Related Partner Interest*” of a Partner means all exempted limited partnership interests of such Partner in the Partnership (other than such Partner’s Capital Commitment Partner Interest), including, without limitation, such Partner’s exempted limited partnership interest in the Partnership with respect to the GP-Related BPPG/BPPI Interest and with respect to all GP-Related Investments.

“*GP-Related 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 GP-Related Profit Sharing Percentages made (i) in connection with voting or voting rights or (ii) GP-Related Capital Contributions with respect to GP-Related Investments (including Section 5.3(b)) means the “Non-Carried Interest Sharing Percentage” of each Partner; 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)(A).

“ *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 BPPG/BPPI Investment as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership with respect to such GP-Related BPPG/BPPI Investment if BPPG’s or BPPI’s (as applicable) 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 BPPG or BPPI, as applicable, to the Partnership pursuant to any BPPG Agreement or BPPI Agreement, as applicable, with respect to such GP-Related BPPG/BPPI Investment were made on such date. “GP-Related Unrealized Net Income (Loss)” attributable to any other GP-Related Investment (other than any Capital Commitment Investment) as of any date means the GP-Related Net Income (Loss) that would be realized by the Partnership 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)).

“ *GSO Fund* ” means (i) any of GSO Capital Opportunities Fund LP, GSO Capital Opportunities Overseas Fund L.P., GSO Capital Opportunities Overseas Master Fund L.P., GSO Liquidity Partners LP, GSO Liquidity Overseas Partners LP, Blackstone / GSO Capital Solutions Fund LP, Blackstone / GSO Capital Solutions Overseas Fund L.P., Blackstone / GSO Capital Solutions Overseas Master Fund L.P., GSO Capital Solutions Fund II LP, GSO Capital Solutions Overseas Feeder Fund II LP, GSO European Senior Debt Fund LP, GSO European Senior Debt Feeder Fund LP, GSO Targeted Opportunity Partners LP, GSO Targeted Opportunity Overseas Partners L.P., GSO Targeted Opportunity Overseas Intermediate Partners L.P., GSO Targeted Opportunity Master Partners L.P., GSO SJ Partners LP, GSO Capital Opportunities Fund II LP, GSO Capital Opportunities Cayman Overseas Fund II LP, GSO NMERB LP, GSO Energy Partners-A LP, GSO Palmetto Opportunistic Investment Partners LP, GSO Foreland Co-Invest Holdings LP, GSO Bakken Holdings I LP or GSO Churchill Partners LP, or (ii) any alternative vehicle or parallel fund relating to any of the partnerships referred to in clause (i) above.

“ *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 Québec société en commandite.

“*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 or her person or his or her property.

“*Initial Holdback Percentages*” has the meaning set forth in Section 4.1(d)(i).

“*Initial Limited Partner*” means Mapcal Limited.

“*Interest*” means a Partner’s exempted limited partnership interest in the Partnership, including any interest that is held by a Retaining Withdrawn Partner, and including any Partner’s GP-Related Partner Interest and Capital Commitment Partner Interest.

“*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 (a) GP-Related Investments and (b) Capital Commitment Investments.

“*Investor Limited Partner*” means any Limited Partner so designated at the time of its admission as a partner of the Partnership.

“*Investor Note*” means a promissory note of a Partner evidencing indebtedness incurred by such Partner to purchase a Capital Commitment Interest, the terms of which were or are approved by the General Partner and which is secured by such Capital Commitment Interest, all other Capital Commitment Interests of such Partner and all other interests of such Partner in Blackstone Collateral Entities; provided, that such promissory note may also evidence indebtedness relating to other interests of such Partner in Blackstone Collateral Entities, 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 BCE 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 or other BCE 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 or other interests in Blackstone Collateral Entities be considered part of the Investor Notes for purposes hereof if the Lender or Guarantor is not the lender or guarantor with respect thereto.

“*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 Partner*” has the meaning set forth in Section 4.1(d)(vi).

“*Lender or Guarantor*” means Blackstone Holdings I L.P. in its capacity as lender or guarantor under the Investor Notes, or any other Affiliate of the Partnership that makes or guarantees loans to enable a Partner to acquire Capital Commitment Interests or other interests in Blackstone Collateral Entities.

“*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 and any Nonvoting Limited Partner.

“*Liquidator*” has the meaning set forth in Section 6.6.

“*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 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 Limited Partners but excluding Nonvoting Limited Partners) on the vote date.

“*Moody’s*” means Moody’s Investors Service, 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(d)(i)(A).

“*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 Partnership with respect to such GP-Related 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 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 Partner in Non-Carried Interest from such GP-Related 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).

“ *Original Agreement* ” has the meaning set forth in the recitals.

“ *Other Blackstone Collateral Entity* ” means any Blackstone Entity (other than any limited partnership, limited liability company or other entity named or referred to in the definition of any of “BFIP,” “BFREP,” “BFGSO” or “BFCOMP”) in which any limited partner interest, limited liability company interest, unit or other interest is pledged to secure any Investor Note.

“ *Other Fund GPs* ” means the Delaware GP (only with respect to the Delaware GP’s GP-Related Partner Interest in the Partnership) 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, neither Holdings nor any Estate Planning Vehicle established for the benefit of family members of any Partner or of any member or partner of any Other Fund GP shall be considered an “Other Fund GP” for purposes hereof.

“ *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 Partner but are instead contributed to a trust (or similar arrangement) to satisfy any “holdback” obligation with respect thereto) and (ii) distributions from Blackstone Collateral Entities (other than the Partnership) to such Partner.

“ *Parallel Fund* ” has the meaning set forth in Section 2.9 of the BPPI Main Fund Partnership Agreement.

“ *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* ” means the Existing Partners, Retaining Withdrawn Partners or Deceased Partners, each referred to as a group for purposes hereof.

“ *Partnership* ” means Blackstone Property Associates International-NQ L.P., an exempted limited partnership registered in the Cayman Islands.

“ *Partnership Act* ” means the Exempted Limited Partnership Law, 2014 of the Cayman Islands, as it may be amended from time to time, and any successor to such statute.

“ *Partnership Affiliate* ” has the meaning set forth in Section 3.4(c).

“ *Partnership Affiliate Governing Agreement* ” has the meaning set forth in Section 3.4(c).

“ *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 General Partner as a “Qualifying Fund.”

“ *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).

“ *Retained Portion* ” has the meaning set forth in Section 7.6.

“ *Retaining Withdrawn Partner* ” means a Withdrawn Partner who has retained a GP-Related Partner Interest, pursuant to Section 6.5(f) or otherwise. A Retaining Withdrawn Partner shall be considered a Nonvoting Limited 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.

“ *Securities Act* ” means the U.S. Securities Act of 1933, as amended from time to time, or any successor statute.

“ *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 certain of the Partners, pursuant to which each such 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 or other assets that have been pledged to the Trustee(s) to satisfy all or any portion of a Partner’s or Withdrawn Partner’s Holdback obligation (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 in 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).

“*Successor in Interest*” means any (i) shareholder of; (ii) trustee, custodian, receiver or other person acting in any Bankruptcy or reorganization proceeding with respect to; (iii) assignee for the benefit of the creditors of; (iv) officer, director or partner of; (v) trustee or receiver, or former officer, director or partner, or other fiduciary acting for or with respect to the dissolution, liquidation or termination of; or (vi) other executor, administrator, committee, legal representative or other successor or assign of, any Partner, whether by operation of law or otherwise.

“*Tax Matters Partner*” has the meaning set forth in Section 6.7(b).

“*TM*” has the meaning set forth in Section 10.2.

“*Total Disability*” means the inability of a Limited Partner substantially to perform the services 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.

“*Transfer*” has the meaning set forth in Section 8.2.

“*Trust Account*” has the meaning set forth in the Trust Agreement.

“*Trust Agreement*” means the Trust Agreement dated as of the date set forth therein, as amended, supplemented, restated or otherwise modified from time to time, 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 Capital Commitment Interests* ” has the meaning set forth in Section 8.1(f).

“ *U.S.* ” means the United States of America.

“ *Winding Up Event* ” has the meaning set forth in Section 9.1(a).

“ *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 “Withdrawn” with respect to a Partner means, as aforesaid, a Partner who has ceased to be a partner of the Partnership.

“ *Withdrawal Date* ” means the date of the Withdrawal from the Partnership of a Withdrawn Partner.

“ *Withdrawn Partner* ” means a Limited Partner whose GP-Related Partner Interest or Capital Commitment Partner 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.

“ *W-8BEN* ” has the meaning set forth in Section 3.8.

“ *W-8BEN-E* ” has the meaning set forth in Section 3.8.

“ *W-8IMY* ” has the meaning set forth in Section 3.8.

“ *W-9* ” has the meaning set forth in Section 3.8.

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 Partners as of the date hereof are the Cayman GP and the Delaware GP, subject to the provisions of Section 3.4. The Limited Partners shall be as shown on the books and records of the Partnership which shall be maintained in accordance with the Partnership Act. The books and records of the Partnership contain the GP-Related Profit Sharing Percentage and GP-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the GP-Related Investments of the Partnership as of the date hereof. The books and records of the Partnership contain the Capital Commitment Profit Sharing Percentage and Capital Commitment-Related Commitment of each Partner (including, without limitation, the Delaware GP) with respect to the Capital Commitment Investments of the Partnership as of the date hereof. The books and records of the Partnership shall be amended by the General Partner from time to time, in accordance with the Partnership Act, to reflect additional GP-Related Investments, additional Capital Commitment Investments, dispositions by the Partnership of GP-Related Investments, dispositions by the Partnership of Capital Commitment Investments, the GP-Related Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the Capital Commitment Profit Sharing Percentages of the Partners (including, without limitation, the Delaware GP) as modified from time to time, the admission of additional Partners, the Withdrawal of Partners, the transfer or assignment of interests in the Partnership pursuant to the terms of this Agreement and any other matters required by the Partnership Act. At the time of admission of each additional Partner, the General Partner shall determine in its sole discretion the GP-Related Investments and Capital Commitment Investments in which such Partner shall participate and such Partner'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 Partner may have a GP-Related Partner Interest and/or a Capital Commitment Partner Interest.

Section 2.2. Formation; Name; Foreign Jurisdictions. The Partnership was formed by the Original Agreement and registered as an exempted limited partnership, pursuant to the Partnership Act and is hereby continued as an exempted limited partnership pursuant to the Partnership Act and shall conduct its activities under the name of Blackstone Property Associates International-NQ L.P. The General Partners shall have the power to change the name of the Partnership at any time, subject to compliance with the requirements of the Partnership Act, and shall thereupon file the requisite notice pursuant to the Partnership Act. The General Partner is further authorized to execute and deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Partnership to qualify to do business in a jurisdiction in which the Partnership may wish to conduct business.

Section 2.3. Term. The term of the Partnership shall continue until December 31, 2065, unless earlier terminated, wound up and dissolved and terminated in accordance with this Agreement and the Partnership Act.

Section 2.4. Purpose; Powers. (a) The purposes of the Partnership shall be, directly or indirectly through subsidiaries or Affiliates, subject to the Partnership Act:

(i) to serve as the general partner of BPPG and BPPI (including any Alternative Vehicle, Parallel Fund or other partnership included in the definitions of “BPPG” and “BPPI”) and perform the functions of a general partner of BPPG and BPPI (including any Alternative Vehicle, Parallel Fund or other partnership included in the definitions of “BPPG” and “BPPI”) specified in the BPPG Agreements and the BPPI Agreements;

(ii) to serve as, and hold the Capital Commitment BPPG/BPPI Interest as, a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG and BPPI (including any Alternative Vehicle, Parallel Fund or other partnership included in the definitions of “BPPG” and “BPPI”) and perform the functions of a capital partner (and, if applicable, a limited partner and/or a general partner) of BPPG and BPPI (including any Alternative Vehicle, Parallel Fund or other partnership included in the definitions of “BPPG” and “BPPI”) specified in the BPPG Agreements and the BPPI Agreements;

(iii) 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, restated or otherwise modified from time to time, of any such partnership;

(iv) to serve as a member, shareholder or other equity interest owner of limited liability companies, other companies, corporations or other entities and perform the functions of a member, shareholder or other equity interest owner specified in the respective limited liability company agreement, charter or other governing documents, as amended, supplemented, restated or otherwise modified from time to time, of any such limited liability company, company, corporation or other entity;

(v) to invest in Capital Commitment Investments and/or GP-Related Investments and acquire and invest in Securities or other property (directly or indirectly through BPPG and/or BPPI (including any Alternative Vehicle, Parallel Fund or other partnership included in the definitions of “BPPG” and “BPPI”)), including, without limitation, in connection with any action referred to in any of clauses (i) through (iv) above;

(vi) to carry on such other businesses, perform such other services and make such other investments as are deemed desirable by the General Partner and as are permitted under the Partnership Act, the BPPG Agreement, the BPPI Agreement, and any applicable partnership agreement, limited liability company agreement, charter or other governing document referred to in clause (iii) or (iv) above, in each case as the same may be amended, supplemented, restated or otherwise modified from time to time;

(vii) any other lawful purpose; and

(viii) to do all things necessary, desirable, convenient or incidental thereto.

(b) In furtherance of its purposes, the General Partner on behalf of 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, provided, that the Partnership shall not undertake business with the public in the Cayman Islands other than so far as may be necessary for the carrying on of business exterior to the Cayman Islands:

(i) to be and become a general partner 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 General Partner in the conduct of the Partnership's business, and to take any action in connection therewith;

(ii) to acquire and invest in general partner 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 Partnership 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 Partnership;

(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 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;

(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 Cayman Islands, 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 or 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 Partnership, 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 Partners cash or investments or other property of the Partnership, 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 Cayman Islands and other applicable law.

Section 2.5. Registered Office; Place of Business. The Partnership shall maintain a registered office at Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Partnership shall maintain an office and principal place of business at such place or places as the General Partner specifies from time to time and as set forth in the books and records of the Partnership. The name and address of the Partnership's registered agent is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The General Partner may from time to time change the registered agent or office by an amendment to the certificate of limited partnership of the Partnership.

Section 2.6. Withdrawal of Initial Limited Partner. Upon the admission of one or more additional Limited Partners to the Partnership, the Initial Limited Partner shall

(a) receive a return of any capital contribution made by it to the Partnership, (b) withdraw as the Initial Limited Partner of the Partnership and (c) have no further right, interest or obligation of any kind whatsoever as a Partner in the Partnership; provided, that the effective date of such Withdrawal shall be deemed as between the parties hereto to be July 28, 2015.

ARTICLE III

MANAGEMENT

Section 3.1. General Partners. The Cayman GP and the Delaware GP shall be the “General Partners” subject to Section 3.4. A General Partner may not be removed without its consent. The management, conduct and control of the business and affairs of the Partnership shall be vested in the General Partners as provided in Section 3.4.

Section 3.2. Limitations on Limited Partners. 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 management, conduct or control of the Partnership’s business or act for or bind the Partnership, and shall have only the rights and powers granted to Limited Partners herein or in the Partnership Act.

Section 3.3. Partner Voting.

(a) 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.

(b) Meetings of the Partners may be called only by the General Partner.

Section 3.4. Management. (a) The General Partners shall have the powers, rights, obligations and liabilities of a general partner pursuant to the Partnership Act (including section 4(2) of the Partnership Act); and without limiting the foregoing, the management, conduct, control and operation of the Partnership and the formulation and execution of business and investment policy shall be vested in the General Partners; provided that any provision of this Agreement to the contrary notwithstanding, except as otherwise required by applicable law, (i) the Cayman GP shall have exclusive power, authority, management, conduct, control and operation with respect to the voting of securities of portfolio companies of the Partnership, (ii) the Delaware GP shall have exclusive power, authority, management, conduct, control and operation with respect to all matters of any kind except the voting of securities of portfolio companies of the Partnership and (iii) each reference in this Agreement to the “General Partner” or “General Partners” in relation to the power, authority, management, conduct, control and operation of the Partnership means the Delaware GP, unless such reference relates to the power, authority, management, conduct, control and operation of the Partnership with respect to the voting of securities of portfolio companies of the Partnership, in which case, such reference to the “General Partner” or “General Partners” means the Cayman GP. Subject to the proviso to the immediately preceding sentence, the General Partners shall, in the General Partners’ discretion, exercise all powers necessary and convenient for the purposes of the Partnership, including those

enumerated in Section 2.4, on behalf and in the name of the Partnership. All decisions and determinations (howsoever described herein) to be made by the General Partners pursuant to this Agreement shall be made in the General Partners' 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.

(c) Notwithstanding any provision in this Agreement to the contrary, the General Partner on behalf of the Partnership 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BPPG or BPPI, or in the Partnership's capacity as a general partner or limited partner, member or other equity owner of any Partnership Affiliate (as hereinafter defined), (i) to execute and deliver, and to perform the Partnership's obligations under the BPPG Agreements and the BPPI Agreements, including, without limitation, serving as a general partner of BPPG and BPPI, (ii) to execute and deliver, and to perform the Partnership's obligations under, the governing agreement, as amended, supplemented, restated or otherwise modified (each a "*Partnership Affiliate Governing Agreement*"), of any other partnership, limited liability company, other company, corporation or other entity (each a "*Partnership Affiliate*") of which the Partnership is to become a general partner or limited partner, member, shareholder or other equity interest owner, including, without limitation, serving as a general partner or limited partner, member, shareholder or other equity interest owner of each Partnership Affiliate, and (iii) to take any action, in the applicable capacity, contemplated by or arising out of this Agreement, the BPPG Agreements, BPPI Agreements or any Partnership Affiliate Governing Agreement (and any amendment, supplement, restatement and/or other modification of any of the foregoing).

(d) The General Partners and any other person designated by the General Partners, each acting individually, are hereby authorized and empowered, as an authorized representative of the Partnership or as an authorized person of the Delaware GP (within the meaning of the Delaware Limited Liability Company Act, 6 Del. C. §§ 18-101 et seq., as amended, or otherwise (the General Partners 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 Partnership, on its own behalf or in its capacity as general partner, capital partner and/or limited partner of BPPG or BPPI, or in the Partnership's capacity as general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate, any of the following):

- (A) any agreement, certificate, instrument or other document of the Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof), including, without limitation, the following: (I) the BPPG Agreements and BPPI Agreements and each Partnership Affiliate Governing Agreement,

(II) subscription agreements and documents on behalf of BPPG, BPPI and/or the Partnership, (III) side letters issued in connection with investments in BPPG or BPPI on behalf of BPPG, BPPI and/or the Partnership and (IV) such other agreements, certificates, instruments and other documents as may be necessary or desirable in furtherance of the purposes of the Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications 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 Partnership, BPPG, BPPI or any Partnership Affiliate (and any amendments, supplements, restatements and/or other modifications thereof); and
- (C) any other certificates, notices, applications or other documents (and any amendments, supplements, restatements and/or other modifications thereof) to be filed with any government or governmental or regulatory body, including, without limitation, any such document that may be necessary for the Partnership, BPPG, BPPI or any Partnership Affiliate to qualify to do business in a jurisdiction in which the Partnership, BPPG, BPPI or such Partnership Affiliate 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 Partnership, on its own behalf or in its capacity as a general partner, capital partner and/or limited partner of BPPG or BPPI or in the Partnership's capacity as a general partner or limited partner, member, shareholder or other equity owner of any Partnership Affiliate): (A) any certificates, forms, notices, applications or other documents to be filed with any government or governmental or regulatory body on behalf of the Partnership, BPPG, BPPI and/or any Partnership Affiliate, (B) any certificates, forms, notices, applications or other documents that may be necessary or advisable in connection with any bank account of the Partnership, BPPG, BPPI or any Partnership Affiliate or any banking facilities or services that may be utilized by the Partnership, BPPG, BPPI or any Partnership Affiliate, and all checks, notes, drafts or other documents of the Partnership, BPPG, BPPI or any Partnership Affiliate that may be required in connection with any such bank account, banking facilities or services and (C) resolutions with respect to any of the foregoing matters (which resolutions, when executed by any person authorized as provided in this Section 3.4(d), each acting individually, shall be deemed to have been duly adopted by the General Partner, the Partnership, BPPG, BPPI or any Partnership Affiliate, as applicable, for all purposes).

The authority granted to any person (other than the General Partner) in this Section 3.4(d) may be revoked at any time by the General Partner by an instrument in writing signed by the General Partner.

Section 3.5. Responsibilities of Partners.

(a) Unless otherwise determined by the General Partner in a particular case, each Limited Partner shall devote substantially all his or her time and attention to the businesses of the Partnership and its Affiliates.

(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.

(c) The General Partner may from time to time establish such other rules and regulations applicable to Partners or other employees as the General Partner deems appropriate, including rules governing the authority of Partners or other employees to bind the Partnership to financial commitments or other obligations.

Section 3.6. 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. (i) 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 capital 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, for purposes of this Section 3.6, “*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 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 3.6(b) 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 GP-Related 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 3.6(b), 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 capital 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 General Partner on behalf of 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 3.6(b). The General Partner shall have the authority to enter into separate agreements with any Covered Person in order to give effect to the obligations to indemnify pursuant to this Section 3.6(b).

(ii) (A) Notwithstanding anything to the contrary herein, for greater certainty, it is understood and/or agreed that the Partnership’s obligations hereunder are not intended to render the Partnership as a primary indemnitor for purposes of the indemnification, advancement of expenses and related provisions under applicable law governing BPPG, BPPI and/or a particular portfolio entity through which an Investment is indirectly held. It is further understood and/or agreed that a Covered Person shall first seek to be so indemnified and have such expenses

advanced in the following order of priority: first, out of proceeds available in respect of applicable insurance policies maintained by the applicable portfolio entity and/or BPPG or BPPI, as applicable; second, by the applicable portfolio entity through which such investment is indirectly held and third, by BPPG or BPPI, as applicable (only to the extent the foregoing sources are exhausted).

(B) The Partnership's obligation, if any, to indemnify or advance expenses to any Covered Person shall be reduced by any amount that such Covered Person may collect as indemnification or advancement from, as applicable, BPPG, BPPI and/or a portfolio entity (including by virtue of any applicable insurance policies maintained thereby), and to the extent the Partnership (or any Affiliate thereof) pays or causes to be paid any amounts that should have been paid by, as applicable, BPPG, BPPI and/or a portfolio entity (including by virtue of any applicable insurance policies maintained thereby), it is agreed among the Partners that the Partnership shall have a subrogation claim against BPPG or BPPI, as applicable, and/or such portfolio entity in respect of such advancement or payments. The General Partner and the Partnership shall be specifically empowered to structure any such advancement or payment as a loan or other arrangement (except for a loan to an executive officer of The Blackstone Group L.P. or any of its Affiliates, which shall not be permitted) as the General Partner may determine necessary or advisable to give effect to or otherwise implement the foregoing.

Section 3.7. Representations of Limited Partners.

(a) Each Limited Partner by execution of this Agreement (or by otherwise becoming bound by the terms and conditions hereof as provided herein or in the Partnership Act) represents and warrants to every other Partner and to the Partnership, except as may be waived by the General Partner, that such Limited Partner is acquiring each of such Limited Partner's Interests for such Limited Partner'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 Limited Partner hereunder; provided, that a Partner may choose to make transfers for estate and charitable planning purposes (in accordance with the terms hereof). Each Limited Partner represents and warrants that such Limited Partner understands that the Interests have not been registered under the Securities Act, and therefore such Interests may not be resold without registration under such Act or exemption from such registration, and that accordingly such Limited Partner must bear the economic risk of an investment in the Partnership for an indefinite period of time. Each Limited Partner represents that such Limited Partner has such knowledge and experience in financial and business matters that such Limited Partner is capable of evaluating the merits and risks of an investment in the Partnership, and that such Limited Partner is able to bear the economic risk of such investment. Each Limited Partner represents that such Limited Partner's overall commitment to the Partnership and other investments which are not readily marketable is not disproportionate to the Limited Partner's net worth and the Limited Partner has no need for liquidity in the Limited Partner's investment in Interests. Each Limited Partner represents that to the full satisfaction of the Limited Partner, the Limited Partner has been furnished any materials that such Limited Partner has requested relating to the Partnership, any Investment and the offering of Interests and has been afforded the opportunity to ask questions of representatives of the Partnership 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 Limited Partner represents that the

Limited Partner has consulted to the extent deemed appropriate by the Limited Partner with the Limited Partner'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 Limited Partner.

(b) Each Partner agrees that the representations and warranties contained in paragraph (a) above shall be true and correct as of any date that such Partner (1) makes a capital contribution to the Partnership (whether as a result of Firm Advances made to such Partner or otherwise) with respect to any Investment, and such Partner 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 Partner hereby agrees that such repayment shall serve as confirmation thereof.

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, 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 and Reporting (Individuals) ("W-8BEN"), IRS Form W-8BEN-E, Certificate of Status of Beneficial Owner for United States Tax Withholding and Reporting (Entities) ("W-8BEN-E"), or other applicable form, including but not limited to IRS Form W-8IMY, Certificate of Foreign Intermediary, Foreign Flow-Through Entity, or Certain U.S. Branches for United States Tax Withholding and Reporting ("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, W-8BEN-E 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 Partnership or the General Partner.

ARTICLE IV

CAPITAL OF THE PARTNERSHIP

Section 4.1. Capital Contributions by Partners. (a) Each Partner (other than the Cayman GP) shall be required to make capital contributions to the Partnership ("GP-Related Capital Contributions") at such times and in such amounts (the "GP-Related Required Amounts") as are required to satisfy the Partnership's obligation to make capital contributions to BPPG and BPPI, as applicable, in respect of the GP-Related BPPG/BPPI Interest with respect to any GP-Related BPPG/BPPI Investment and as are otherwise determined by the General Partner from time to time or as may be set forth in such Limited Partner's Commitment Agreement or SMD Agreement, if any; provided, that additional GP-Related Capital Contributions in excess of

the GP-Related Required Amounts may be made *pro rata* among the Partners (other than the Cayman GP) based upon each Partner'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 Partnership (including those specifically set forth in Section 4.1(d) and Section 5.8(d)) shall be determined by the General Partner. Limited Partners shall not be required to make additional GP-Related Capital Contributions to the Partnership in excess of the GP-Related Required Amounts, except (i) as a condition of an increase in such Limited Partner's GP-Related Profit Sharing Percentage or (ii) as specifically set forth in this Agreement; provided, that the General Partner and any Limited Partner may agree from time to time that such Limited Partner shall make an additional GP-Related Capital Contribution to the Partnership; provided further, that each Investor Limited Partner 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 Partnership related to the GP-Related BPPG/BPPI Interest.

(b) 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 Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) the amount of any GP-Related 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 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) to make a required GP-Related Capital Contribution to the Partnership in installments, in each case on terms determined by the General Partner.

(c) Each GP-Related Capital Contribution by a Partner shall be credited to the appropriate GP-Related Capital Account of such Partner in accordance with Section 5.2, subject to Section 5.10.

(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 any General Partner (including, without limitation, the Delaware GP) and each Partner Category (such withheld percentage constituting a General Partner's and such Partner Category's "*Holdback Percentage*"). The applicable Holdback Percentages initially shall be 0% for any General Partner, 15% for Existing Partners (other than any General Partner), 21% for Retaining Withdrawn Partners (other than any General Partner) and 24% for Deceased Partners (the "*Initial Holdback Percentages*"). Any provision of this Agreement to the contrary notwithstanding, the Holdback Percentage for any General Partner (including, without limitation, the Delaware GP) shall not be subject to change pursuant to clause (ii), (iii) or (iv) of this Section 4.1(d).

(ii) The Holdback Percentage may not be reduced for any individual Partner as compared to the other Partners in his or her 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. 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 or her 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 General Partner 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 Limited Partners and the Delaware GP (a "*Holdback Vote*"); provided, that, notwithstanding anything to the contrary contained herein, the Holdback Percentage applicable to any 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) or (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 shall not vote to increase a Subject Partner's Holdback Percentage unless such voting Partner determines, in such Partner's good faith judgment, that the facts and circumstances indicate that it is reasonably likely that such Subject Partner, or any of such Subject Partner's successors or assigns (including such Subject Partner's estate or heirs) who at the time of such vote

holds the GP-Related Partner Interest or otherwise has the right to receive distributions relating thereto, will not be capable of satisfying any GP-Related Reconstitution Amounts that may become due.

(B) A Holdback Vote shall take place at a Partnership meeting. Each of the Limited Partners and the Delaware GP shall be entitled to cast one vote with respect to the Holdback Vote regardless of such Partner's interest in the Partnership. Such vote may be cast by any such 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 the 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 General Partner on behalf of 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 or her Holdback obligation in respect of his or her 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 or she was a Partner), to the extent his or her 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, granting a security interest or otherwise making available to the General Partner, on a first priority basis (except as provided below), all or any portion of his or her Firm Collateral in satisfaction of his or her 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 in the books and records of the Partnership, in which Partners/members are permitted to pledge or grant a security interest over 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 Partner or Withdrawn Partner seeking to utilize such Firm Collateral shall grant the General Partner 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 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 in the books and records of the Partnership 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 General Partner on behalf of the Partnership shall, at the request of any Partner or Withdrawn Partner, assist such Partner or Withdrawn Partner in taking such action as is 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 General Partner on behalf of 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 or her Excess Holdback requirement. If any such Partner or Withdrawn Partner defaults upon his or her obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 Limited Partner or Withdrawn Partner 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 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 (B) require the General Partner on behalf of 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 (an "*L/C*") for the benefit of the Trustee(s) 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 (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 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 BPPG or BPPI, as applicable, 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 General Partner on behalf of the Partnership 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 Partner's obligation relating to the Partnership's obligations under the Clawback Provisions or (II) 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 General Partner on behalf of the Partnership, shall return to any L/C Partner his or her L/C upon (1) the 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 or her 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 General Partner on behalf of the Partnership, of all amounts in the Trust Account to the Partners or Withdrawn Partners. If an L/C Partner satisfies a portion of his or her Holdback obligation in cash and/or Firm Collateral (to the extent permitted hereunder) or if the Trustee(s), as directed by the General Partner on behalf of 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, the L/C of an L/C Partner 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 General Partner on behalf of 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) (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 General Partner on behalf of 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 the applicable category in the books and records of the Partnership; 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 Limited Partner or Withdrawn Partner may satisfy all or any portion of his or her Holdback (excluding any Excess Holdback), and such Partner or a Withdrawn Partner may, to the extent his or her 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 or granting a security interest to the Trustee(s) on a first priority basis all of his or her 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 or other asset 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 or her 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 Partnership), 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 General Partner on behalf of 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 or her

obligations under this clause (C), then Section 5.8(d)(ii) shall apply thereto; provided, that clause (A) 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 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 related to the Partners’ GP-Related Partner Interests (excluding capital invested in GP-Related Investments and, if deemed appropriate by the General Partner, capital invested in any other investment of the Partnership) shall be credited to the Partners’ 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 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. No Partner may withdraw capital related to such Partner’s GP-Related Partner Interests 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) GP-Related 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) “ *GP-Related Net Income (Loss)* ” from any activity of the Partnership related to the GP-Related BPPG/BPPI Interest 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).

“ *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 Partnership from such GP-Related Investment during such accounting period less (ii) all expenses of the Partnership 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 Partnership from such GP-Related Investment during such accounting period less (ii) the sum of the cost or other basis to the Partnership of such GP-Related Investment and all expenses of the Partnership 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 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 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 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 Treasury Regulations 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 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 Partnership employees in respect of “phantom interests” in such GP-Related Investment awarded by the General Partner 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 Partnership and Affiliates of the Partnership shall be allocated among the Partnership and such Affiliates, among various Partnership activities and GP-Related Investments and between accounting periods, in each case as determined by the General Partner. Any adjustments to GP-Related Net Income (Loss) by the General Partner, 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' 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 Partners' average GP-Related Profit Sharing Percentages during such accounting period; provided, that the GP-Related Profit Sharing Percentages of Partners 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 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. GP-Related 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 of the Partnership related to the GP-Related BPPG/BPPI Interest and the GP-Related Net Income (Loss) of the Partnership (each a "*GP-Related Capital Account*").

(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 with respect to such Partner or Partners' GP-Related Partner Interests or a distribution by the Partnership to one or more of the Partners with respect to such Partner or Partners' GP-Related Partner Interests, at the time of such contribution or distribution, (i) the appropriate GP-Related 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 related to the GP-Related BPPG/BPPI Interest during such accounting period, (B) the GP-Related Net Income allocated to such Partner for such accounting period and (C) the interest credited on the balance of such Partner's capital related to such Partner's GP-Related Partner Interest for such accounting period pursuant to Section 4.2; and (ii) the appropriate GP-Related 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 (as such amount is paid) and the value of any property distributed to such Partner during such accounting period with respect to such Partner's GP-Related Partner Interest and (y) the GP-Related Net Loss allocated to such Partner for such accounting period.

Section 5.3. GP-Related Profit Sharing Percentages.

(a) Prior to the beginning of each annual accounting period, the General Partner shall establish the profit sharing percentage (the “*GP-Related Profit Sharing Percentage*”) of each Partner 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 General Partner deems appropriate; provided, however, that (i) the General Partner may elect to establish GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment acquired by the Partnership 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 General Partner may establish different GP-Related Profit Sharing Percentages for any Partner in different categories of GP-Related Net Income (Loss). In the case of the Withdrawal of a Partner, such former Partner's GP-Related 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 GP-Related Profit Sharing Percentages of the other Partners shall be reduced by an amount equal to the GP-Related Profit Sharing Percentage allocated to such new Partner pursuant to Section 6.1(b); such reduction of each other Partner's GP-Related Profit Sharing Percentage shall be *pro rata* based upon such Partner's GP-Related 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 GP-Related 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 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 a “*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 General Partner within 90 days after the end of such accounting period shall be deemed to be allocated among all the Partners (including the Delaware GP, but excluding the Cayman GP) 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) GP-Related Profit Sharing Percentages in GP-Related Net Income (Loss) from any GP-Related Investment shall be allocated in proportion to the Partners' 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 General Partner pursuant to Section 5.7. The Cayman GP shall have no GP-Related Profit Sharing Percentage.

Section 5.4. Allocations of GP-Related Net Income (Loss).

(a) Except as provided in Section 5.4(d), GP-Related Net Income of the Partnership for each GP-Related Investment shall be allocated to the GP-Related Capital Accounts related to such GP-Related Investment of all the Partners participating in such GP-Related Investment (including the Delaware GP, but excluding the Cayman GP): 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 Partners, second, to Partners 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 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 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 Partnership shall be allocated as follows: (i) GP-Related Net Loss relating to realized losses suffered by BPPG or BPPI, as applicable, and allocated to the Partnership with respect to its *pro rata* share thereof (based on capital contributions made by the Partnership to BPPG or BPPI, as applicable, with respect to the GP-Related BPPG/BPPI Interest) shall be allocated to the Partners in accordance with each Partner's Non-Carried Interest Sharing Percentage with respect to the GP-Related Investment giving rise to such loss suffered by BPPG or BPPI, as applicable, and (ii) GP-Related Net Loss relating to realized losses suffered by BPPG or BPPI, as applicable, and allocated to the Partnership with respect to the Carried Interest shall be allocated in accordance with a Partner's (including a Withdrawn Partner's) Carried Interest Give Back Percentage (as of the date of such loss) (subject to adjustment pursuant to Section 5.8(e)). Withdrawn Partners shall remain Partners for purposes of allocating such GP-Related Net Loss with respect to Carried Interest.

(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 Partners 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).

(d) To the extent the Partnership has any GP-Related Net Income (Loss) for any accounting period unrelated to BPPG or BPPI, as applicable, 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.

(e) The General Partner may authorize from time to time advances to Partners (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners who are also executive officers of The Blackstone Group L.P. or any Affiliate thereof) against their allocable shares of GP-Related Net Income (Loss).

(f) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 5.5. Liability of General Partners. General Partners shall have unlimited liability for the satisfaction and discharge of all losses, liabilities and expenses of the Partnership.

Section 5.6. Liability of Limited Partners. Each 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 or her pursuant to Section 5.4 or Section 7.3, but only to the extent required by applicable law, subject to the Partnership Act. Except as otherwise provided in the following sentence, in no event shall any Limited Partner or former Limited Partner be obligated to make any additional capital contribution to the Partnership in excess of his or her aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions pursuant to Section 4.1 and Section 7.1, or have any liability in excess of such aggregate GP-Related Capital Contributions and Capital Commitment-Related Capital Contributions 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 5.8(d) or Section 7.4(g) or otherwise to make capital contributions as provided hereunder.

Section 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' GP-Related Partner Interests relating to GP-Related BPPG/BPPI Investments as the General Partner may determine. The General Partner shall have authority to (a) withhold any distribution otherwise payable to any Partner until any such repurchase rights have lapsed or any such requirements have been 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 General Partner on behalf of the Partnership shall make distributions of available cash (subject to reserves and other adjustments as provided herein) or other property to Partners with respect to such Partners' GP-Related Partner Interests at such times and in such amounts as are determined by the General Partner. The General Partner 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 Partners in accordance with their respective Non-Carried Interest Sharing Percentages, and, subject to Section 4.1(d) and Section 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.

(ii) At any time that a sale, exchange, transfer or other disposition by BPPG or BPPI, as applicable, of a portion of a GP-Related Investment is being considered by the Partnership (a “*GP-Related Disposable Investment*”), at the election of the General Partner each Partner’s GP-Related Partner Interest with respect to such GP-Related Investment shall be vertically divided into two separate GP-Related Partner Interests, a GP-Related Partner Interest attributable to the GP-Related Disposable Investment (a Partner’s “*GP-Related Class B Interest*”), and a GP-Related Partner Interest attributable to such GP-Related Investment excluding the GP-Related Disposable Investment (a Partner’s “*GP-Related Class A Interest*”). Distributions (including those resulting from a sale, transfer, exchange or other disposition by BPPG or BPPI, as applicable) 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 BPPG or BPPI, as applicable) 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 GP-Related 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 Partners in the same proportions as the allocations of GP-Related Net Income (Loss) of each such category.

(b) Subject to the Partnership’s having sufficient available cash in the reasonable judgment of the General Partner, the General Partner on behalf of 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 GP-Related 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 and other 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 GP-Related 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 the Partnership Act.

(c) The General Partner may provide that the GP-Related 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 GP-Related 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 his or her 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 General Partner on behalf of 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 GP-Related Investment in proportion to their respective percentage interests in such GP-Related Investment, or if no other Partner has a percentage interest in such specific GP-Related Investment, to the Delaware GP; provided, that the General Partner may allocate the Withdrawn Partner's share of unrealized investment income from a repurchased GP-Related 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 GP-Related Investment, except that, in any event, each Investor Limited Partner 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 the Partnership is obligated under the Clawback Provisions or Giveback Provisions to contribute to BPPG or BPPI a Clawback Amount or a Giveback Amount (other than a Capital Commitment Giveback Amount) in respect of the GP-Related BPPG/BPPI Interest (the amount of any such obligation of the Partnership with respect to such a Giveback Amount being herein called a "*GP-Related Giveback Amount*"), the General Partner shall call for such amounts as are necessary to satisfy such obligations of the Partnership, 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 General Partner, 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 GP-Related Giveback Amount) (the "*GP-Related Recontribution Amount*") which equals (I) 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, in the case of Clawback Amounts and (II) with respect to a GP-Related Giveback Amount, such Partner's *pro rata* share of prior distributions of Carried Interest and/or Non-Carried Interest in connection with (a) the GP-Related BPPG/BPPI 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 BPPG/BPPI Investments other than the one giving rise to such obligation, but only those amounts received by the Partners with an interest in the GP-Related BPPG/BPPI Investment referred to in clause (II)(a) above and (c) if the GP-Related Giveback Amount is unrelated to a specific GP-Related BPPG/BPPI Investment, all GP-Related BPPG/BPPI Investments. Each Partner and Withdrawn Partner shall promptly contribute to the Partnership, along with satisfying his or her comparable obligations to the Other Fund GPs, if any, upon such call, such Partner's or Withdrawn Partner's GP-Related 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 General Partner, 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 Partnership’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 and/or the GP-Related Giveback Amount exceeds his or her GP-Related 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 General Partner shall specify each Partner’s and Withdrawn Partner’s GP-Related Recontribution Amount. Prior to such time, the General Partner may, in its discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner’s Trust Account used to pay any part of any GP-Related 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 GP-Related Recontribution Amount is paid with respect to such GP-Related Giveback Amount. Solely to the extent required by the BPPG Agreements and the BPPI Agreements, as applicable, each member of the General Partner shall have the same obligations as a Partner (which obligations shall be subject to the same limitations as the obligations of a Partner) under this Section 5.8(d)(i)(A) and under Section 5.8(d)(ii)(A) solely with respect to such member’s *pro rata* share of any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement or BPPI Partnership Agreement, as applicable) and solely to the extent the Partnership has insufficient funds to meet the Partnership’s obligations under paragraph 9.2.8(a) of, as applicable, the BPPG Partnership Agreement and/or the corresponding provisions under any other BPPG Agreement, or the BPPI Partnership Agreement and/or the corresponding provisions under any other BPPI Agreement.

- (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 General Partner’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 Partner or Withdrawn Partner equals the sum of (I) such Partner’s or Withdrawn Partner’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 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 GP-Related 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 GP-Related Recontribution Amount under Section 5.8(d)(ii).

(ii) (A) In the event any Partner or Withdrawn Partner (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 General Partner 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 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 General Partner determines in its good faith judgment that the Partnership (or an Other Fund GP) 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 Partnership, 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 Partner or Withdrawn Partner 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 Partner or Withdrawn Partner in respect of such default.

(B) 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 GP-Related Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the GP-Related Defaulting Party. It is agreed that the Partnership 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 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 General Partner a security interest, effective upon such Partner or Withdrawn Partner becoming a GP-Related 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 General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner and Withdrawn Partner hereby appoints the Delaware GP 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 the name of the Delaware GP, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner shall be entitled to collect interest on the Net GP-Related Recontribution Amount of a GP-Related Defaulting Party from the date such Net GP-Related Recontribution Amount was required to be contributed to the Partnership at a rate equal to the Default Interest Rate.

(C) Any Partner's or Withdrawn Partner's failure to make a GP-Related Deficiency Contribution shall cause such Partner or Withdrawn Partner to be a GP-Related Defaulting Party with respect to such amount. The Partnership shall first seek any remaining Trust Amounts (and Trust Income thereon) allocated to such Partner or Withdrawn Partner to satisfy such Partner's or Withdrawn Partner's obligation to make a GP-Related 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 GP-Related Deficiency Contribution.

(iii) A Partner's 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 is 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 Net Losses on Writedowns and Losses (each as defined in the BPPG Agreements and BPPI Agreements, as applicable) on GP-Related BPPG/BPPI 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 GP-Related BPPG/BPPI 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 GP-Related BPPG/BPPI Investment (the "*Subject Investment*") that have been reduced under any BPPG Agreement or BPPI Agreement, as applicable, 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 or her 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 BPPG or BPPI, as applicable) 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 BPPG or BPPI, as applicable) 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 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 or her 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 BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable) 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 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 GP-Related 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 GP-Related BPPG/BPPI Investments which gave rise to the Clawback Amount (*i.e.* , the Losses that followed the last GP-Related BPPG/BPPI Investment with respect to which Carried Interest distributions were made), based on such Partner's Carried Interest Sharing Percentage in such GP-Related BPPG/BPPI 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 BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable.

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.

Section 5.10. Tax Capital Accounts; Tax Allocations.

(a) For U.S. federal income tax purposes, there shall be established for each Partner a single capital account combining such Partner's Capital Commitment Capital Account and GP-Related Capital Account, with such adjustments as the General Partner determines are 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 Treasury Regulations thereunder.

(b) 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. 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 Treasury Regulations Sections 1.704-2(d) and 1.704-2(i)) during any taxable year of the Partnership, 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 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). In addition, this Agreement shall be considered to contain a "qualified income offset" as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). Notwithstanding the foregoing, the General Partner in its sole discretion shall make allocations for tax purposes as may be needed to ensure that allocations are in accordance with the interests of the Partners within the meaning of the Code and the Treasury Regulations.

(c) For U.S. federal, state and local income tax purposes only, Partnership income, gain, loss, deduction or expense (or any item thereof) for each Fiscal Year shall be allocated to and among the Partners in a manner corresponding to the manner in which corresponding items are allocated among the Partners pursuant to the other provisions of this Section 5.10; provided, that the General Partner may in its sole discretion make such allocations for tax purposes as it determines are appropriate so that allocations have substantial economic effect or are in accordance with the interests of the Partners, within the meaning of the Code and the Treasury Regulations thereunder.

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 (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 or substitute persons into the Partnership as General Partners or Limited Partners. Each such person shall make the representations and certifications with respect to itself set forth in Section 3.7 and Section 3.8. 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 GP-Related Capital Contribution, Capital Commitment-Related Capital Contribution, GP-Related Profit Sharing Percentage and Capital Commitment 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. If Blackstone or another or subsequent holder of an Investor Note approved by the General Partner for purposes of this Section 6.1(a) shall foreclose upon a Limited Partner's Investor Note issued to finance such Limited Partner's purchase of his or her Capital Commitment Interests, Blackstone or such other or subsequent holder shall succeed to such Limited Partner's Capital Commitment Interests and shall be deemed to have become a Limited Partner to such extent. Any additional Partner may have a GP-Related Partner Interest or a Capital Commitment Partner Interest, without having the other such interest.

(b) The GP-Related Profit Sharing Percentages, if any, 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' GP-Related Profit Sharing Percentages as of such date, shall be established by the General Partner pursuant to Section 5.3. The Capital Commitment Profit Sharing Percentages, if any, 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 Partner shall be required to contribute to the Partnership his or her *pro rata* share of the Partnership's total capital, excluding capital in respect of GP-Related Investments and Capital Commitment 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 and Section 7.1.

(d) The admission of an additional Partner will be evidenced by (i) the execution of a deed of adherence to this Agreement by such additional Partner, (ii) the execution of an amendment to this Agreement by the General Partner and the additional Partner, as determined by the General Partner or (iii) the execution by such additional Partner of any other writing evidencing the intent of such person to become a substitute or additional Limited Partner and to be bound by the terms of this Agreement and such writing being accepted by the General Partner on behalf of the Partnership. 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.

Section 6.2. Withdrawal of Partners.

(a) Any Partner may Withdraw voluntarily from the Partnership subject to the prior written consent of the General Partner. The General Partner generally intends to permit voluntary Withdrawals on the last day of any calendar month (or on such other date as shall be

determined by the General Partner in its sole discretion), 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, 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; provided further, that a Partner may Withdraw from the Partnership with respect to such Partner's GP-Related Partner Interest without Withdrawing from the Partnership with respect to such Partner's Capital Commitment Partner Interest, and a Partner may Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest without Withdrawing from the Partnership with respect to such Partner's GP-Related Partner Interest.

(b) Upon the Withdrawal of any Partner, including by the occurrence of any withdrawal event under the Partnership Act with respect to any Partner, such Partner shall thereupon cease to be a Partner, except as expressly provided herein.

(c) Upon the Total Disability of a Limited Partner, such Partner shall thereupon cease to be a Limited Partner with respect to such Partner's GP-Related Partner Interest; provided, however, that the General Partner may elect to admit such Withdrawn Partner to the Partnership as a Nonvoting Limited Partner with respect to such Partner's GP-Related Partner Interest, with such GP-Related Partner Interest as the General Partner 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) with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, such Partner, upon written notice by the General Partner to such Partner, shall be required to Withdraw with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner Interest, 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 with respect to such Partner's GP-Related Partner Interest and/or with respect to such Partner's Capital Commitment Partner 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 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. GP-Related Partner Interests Not Transferable.

(a) No Partner may sell, assign, pledge, grant a security interest over or otherwise transfer or encumber all or any portion of such Partner's GP-Related Partner Interest without the prior written consent of the General Partner; provided, that, subject to the Partnership Act, 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, subject to the prior written consent of the General Partner, which shall not be unreasonably withheld, a Limited Partner may transfer, for estate planning purposes, up to 25% of his or her GP-Related Profit Sharing Percentage to any estate planning trust, limited partnership or limited liability company with respect to which such Limited Partner controls investments related to any interest in the Partnership held therein (an "*Estate Planning Vehicle*"). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional GP-Related Capital Contributions). 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(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 GP-Related Partner Interest 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 given or withheld in its sole discretion without giving any 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.

(b) Notwithstanding any provision hereof to the contrary, no sale or transfer of any GP-Related Partner Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

Section 6.4. General Partner Withdrawal; Transfer of General Partner's Interest.

(a) Subject to the Partnership Act, no General Partner may transfer or assign its interest as a General Partner in the Partnership or its right to manage the affairs of the Partnership, except that the General Partner may, subject to the Partnership Act, with the prior written approval of a Majority in Interest of the Partners, admit another person as an additional or substitute General Partner who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise); provided, however, that the General Partner may, in its sole discretion, transfer all or part of its interest in the Partnership to a person who makes such representations with respect to itself as the General Partner deems necessary or appropriate (with regard to compliance with applicable law or otherwise) and who owns, directly or indirectly, the principal part of the business then conducted by the General Partner in connection with any liquidation, dissolution or reorganization of the General Partner, and, upon the assumption by such person of liability for all the obligations of the General Partner under this Agreement and the filing of a statement pursuant to Section 10(2) of the Partnership Act, such person shall be admitted as the General Partner. A person who is so admitted as an additional or substitute General Partner shall thereby become a General Partner and shall have the right to manage the affairs 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.

(b) Except as contemplated by Section 6.4(a) above, Withdrawal by a General Partner is not permitted. The Withdrawal of a General Partner shall not dissolve the Partnership if at the time of such Withdrawal there are one or more remaining General Partners satisfying the requirements of the Partnership Act, and any one or more of such remaining General Partners continue the business of the Partnership (any and all such remaining General Partners being hereby authorized to continue the business of the Partnership without dissolution and hereby agreeing to do so). If upon the Withdrawal of a General Partner there shall be no remaining General Partner, the Partnership nonetheless shall not be wound up and subsequently dissolved if, within 90 days of the occurrence of such event of Withdrawal, all remaining Limited Partners (excluding Withdrawn Partners) agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of such Withdrawal, of one or more General Partners satisfying the requirement of the Partnership Act.

Section 6.5. Satisfaction and Discharge of a Withdrawn Partner's GP-Related Partner Interest.

(a) The terms of this Section 6.5 shall apply to the GP-Related Partner Interest of a Withdrawn Partner, but, except as otherwise expressly provided in this Section 6.5, shall not apply to the Capital Commitment Partner Interest of a Withdrawn Partner. For purposes of this Section 6.5, the term “*Settlement Date*” means the date as of which a Withdrawn Partner's GP-Related Partner Interest in the Partnership is settled as determined under paragraph (b) below. Notwithstanding the foregoing, any Limited Partner who Withdraws from the Partnership, and all or any portion of whose GP-Related Partner Interest is retained as a Limited Partner, shall be considered a Withdrawn Partner for all purposes hereof.

(b) Except where a later date for the settlement of a Withdrawn Partner's GP-Related Partner Interest in the Partnership may be agreed to by the General Partner and a Withdrawn Partner, a Withdrawn Partner's Settlement Date shall be his or her Withdrawal Date; provided, that if a Withdrawn Partner's Withdrawal Date 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 or her 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 GP-Related Capital Contributions, interest on capital, allocations of GP-Related Net Income (Loss) and distributions as would have applied had such Withdrawn Partner remained a Partner of the Partnership during such period.

(c) In the event of the Withdrawal of a Partner with respect to such Withdrawn Partner's GP-Related Partner Interest, the General Partner shall, promptly after such Withdrawn Partner's Settlement Date, (i) determine and allocate to the Withdrawn Partner's GP-Related Capital Accounts such Withdrawn Partner's allocable share of the GP-Related 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 GP-Related Capital Accounts 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. Unless otherwise determined by the General Partner in a particular case, a Withdrawn Partner shall not be entitled to receive any GP-Related 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 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 Partner's Withdrawal Date.

(d) From and after the Settlement Date of the Withdrawn Partner, the Withdrawn Partner's GP-Related Profit Sharing Percentages shall, unless otherwise allocated by the General Partner 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 Partnership of a Partner with respect to such Partner's GP-Related Partner Interest, such Withdrawn Partner thereafter shall not, except as expressly provided in this Section 6.5, have any rights of a Partner (including voting rights) with respect to such Partner's GP-Related Partner Interest, and, except as expressly provided in this Section 6.5, such Withdrawn Partner shall not have any interest in the Partnership's GP-Related Net Income (Loss) or in distributions related to such Partner's GP-Related Partner Interest, GP-Related Investments or other assets related to such Partner's GP-Related Partner Interest. If a Partner Withdraws from the Partnership with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest in the Partnership, (x) payment equal to the aggregate credit balance, if any, as of the Settlement Date of the Withdrawn Partner's GP-Related Capital Accounts, (excluding any GP-Related Capital Account or portion thereof attributable to any GP-Related Investment) and (y) the Withdrawn Partner's percentage interest attributable to each GP-Related 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)-(p) 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, that if the Withdrawn Partner was solely a Limited Partner (other than a Special Limited Partner) on his or her 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 GP-Related Capital Accounts of a Withdrawn Partner who was solely a Limited Partner (other than a Special Limited Partner), upon the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5, shall be allocated among the other Partners' 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 General Partner as of such Withdrawn Partner's Settlement Date. In the settlement of any Withdrawn Partner's GP-Related Partner Interest in the Partnership, no value shall be ascribed to goodwill, the Partnership name or the 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 with respect to such Partner's GP-Related Partner Interest 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 GP-Related Partner Interest and retain such Partner's GP-Related 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 GP-Related Partner 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 GP-Related Partner Interest in the Partnership pursuant to this Section 6.5.

(f) For purposes of clause (y) of paragraph (e)(i) above, a Withdrawn Partner's "percentage interest" means his or her GP-Related Profit Sharing Percentage as of the Settlement Date in the relevant GP-Related Investment. The Withdrawn Partner shall retain his or her percentage interest in such GP-Related Investment and shall retain his or her GP-Related Capital Account or portion thereof attributable to such GP-Related Investment, in which case such Withdrawn Partner (a "*Retaining Withdrawn Partner*") shall become and remain a Limited Partner for such purpose (and, if the General Partner so designates, such Limited Partner shall be a Nonvoting Limited Partner). The GP-Related Partner Interest of a Retaining Withdrawn Partner pursuant to this paragraph (f) shall be subject to the terms and conditions applicable to GP-Related Partner 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 GP-Related Partner Interest 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 to the Withdrawn Partner a subordinated promissory note 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 in relation to such Partner's GP-Related Partner Interest. 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.

(h) [Intentionally omitted].

(i) Within 120 days after each Settlement Date, the General Partner shall submit to the Withdrawn Partner a statement of the settlement of such Withdrawn Partner's GP-Related Partner Interest in the Partnership pursuant to this Section 6.5 together with any cash

payment, subordinated promissory note 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 or her GP-Related Partner Interest in the Partnership (*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 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 or her estate such excess, or to charge the Withdrawn Partner or his or her 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 Prime Rate or (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 GP-Related 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 GP-Related 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 GP-Related Partner 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 GP-Related 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 with respect to such Partner's GP-Related Partner Interest for Cause pursuant to Section 6.2(d), then his or her GP-Related Partner Interest shall be settled in accordance with paragraphs (a)-(r) 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 GP-Related Investment in which he or she has an interest as of his or her Settlement Date, the General Partner 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 Partner his or her allocable share of such GP-Related Unrealized Net Income (Loss) for purposes of calculating the aggregate balance of such Withdrawn Partner's GP-Related Capital Account pursuant to clause (x) of paragraph (e)(i) above, (B) credit or debit, as applicable, the Withdrawn Partner with the balance of his or her GP-Related Capital Account or portion thereof attributable to each such GP-Related Investment as of his or her Settlement Date without giving effect to the GP-Related Unrealized Net Income (Loss) from such GP-Related Investment as of his or her 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 GP-Related Net Income (Loss) allocable to such Withdrawn Partner with respect to any GP-Related Investment shall equal such Partner'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 General Partner). The Withdrawn Partner 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 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 and 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 or her subordinated promissory note, 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 General Partner shall have the right to pay a Withdrawn Partner (other than the Cayman GP or the Delaware GP) 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 another Limited Partner, and to any transferee of any GP-Related Partner 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 or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's GP-Related Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(ii) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(q) Each Partner (other than the General Partners) hereby irrevocably appoints each General Partner as such Partner's true and lawful agent, representative and attorney-in-fact, each acting alone, in such Partner's name, place and stead, to make, execute, sign and file, on behalf of such Partner, any and all agreements, instruments, consents, ratifications, documents and certificates which such General Partner 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 Partner or the Partnership or the exercise of any right of such Partner or the Partnership. Such power of attorney is intended to secure a proprietary interest of the General Partner or to secure the performance of an obligation owed to the General Partner and shall survive and continue in full force and effect notwithstanding the Withdrawal from the Partnership of any Partner for any reason and shall not be affected by the death, disability or incapacity of such Partner.

Section 6.6. Termination of the Partnership. The General Partner may wind up and subsequently dissolve the Partnership at any time on not less than 60 days' notice of the dissolution date given to the other Partners. Upon the winding up of the Partnership, and following the payment of creditors of the Partnership and the making of provisions for the payment of any contingent, conditional or unmatured claims known to 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 provides for allocations to the GP-Related Capital Accounts of the Partners and distributions in accordance with the capital account balances of the Partners. The General Partner shall be the liquidator (the "Liquidator"). In the event that the General Partner is unable to serve as Liquidator, a liquidating trustee shall be chosen by affirmative vote of a Majority in Interest of the Partners (excluding Nonvoting Limited Partners).

Section 6.7. Certain Tax Matters. (a) The General Partner shall determine all matters concerning allocations for tax purposes not expressly provided for herein in its sole discretion.

(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 or she shall not, unless he or she provides prior notice of such action to the Partnership, (i) treat, on his or her individual income tax returns, any item of income, gain, loss, deduction or credit relating to his or her 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 or her 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 or her 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 or she 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 General Partner on behalf of the Partnership and each Partner hereby designate any Partner selected by the General Partner as the "tax matters partner" or "partnership representative" (each as defined under the Code), as applicable (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 6.7 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 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 6.8. 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 Partners and at the time and in the manner provided in Treasury 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

CAPITAL COMMITMENT INTERESTS; CAPITAL CONTRIBUTIONS; ALLOCATIONS; DISTRIBUTIONS

Section 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 Partner Interests and the Capital Commitment BPPG/BPPI Interest and matters related to the Capital Commitment Partner Interests and the Capital Commitment BPPG/BPPI 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 Partner Interests or the GP-Related BPPG/BPPI Interest.

(ii) Each Partner (other than the Cayman GP) severally, agrees to make contributions of capital to the Partnership (" *Capital Commitment-Related Capital Contributions* ") as required to fund the Partnership's direct or indirect capital contributions to BPPG or BPPI, as applicable, in respect of the Capital Commitment BPPG/BPPI Interest, if any, and the related Capital Commitment BPPG/BPPI Commitment, if any. No Partner shall be obligated to make Capital Commitment-Related Capital Contributions to the Partnership in an amount in excess of such Partner's Capital Commitment-Related Commitment. The Commitment Agreements and SMD Agreements, if any, of the Partners may include provisions with respect to the foregoing matters. It is understood that a Partner will not necessarily participate in each Capital Commitment Investment (which may include additional amounts invested in an existing Capital Commitment Investment) nor will a Partner necessarily have the same Capital Commitment Profit Sharing Percentage with respect to (i) the Partnership's portion of the Capital Commitment BPPG/BPPI Commitment, if any or (ii) the making of each Capital Commitment Investment in which such Partner 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 Partner 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 General Partner and its Affiliates may provide such financing. The acquisition of a Capital Commitment Interest by a Partner shall be evidenced by receipt by the Partnership of funds equal to such Partner's Capital Commitment-Related Commitment then due with respect to such Capital Commitment Interest and such appropriate documentation as the General Partner may submit to the Partners from time to time.

(b) The General Partner or one of its Affiliates (in such capacity, the “*Advancing Party*”) may in its sole discretion advance to any Limited Partner (including any additional Partner admitted to the Partnership pursuant to Section 6.1 but excluding any Partners that are also executive officers of Blackstone) all or any portion of the Capital Commitment-Related Capital Contributions due to the Partnership from such Limited Partner with respect to any Capital Commitment Investment (“*Firm Advances*”). Each such Limited Partner shall pay to the Advancing Party interest on each Firm Advance from the date of such Firm Advance until the repayment thereof by such Limited Partner. 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 Partnership, and such recording shall be conclusive evidence of each such Firm Advance, binding on the Limited Partner 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 Limited Partner of such rate upon such Limited Partner’s request; provided, that such interest rate shall not exceed the maximum interest rate allowable by applicable law; provided further, that amounts that are otherwise payable to such Limited Partner 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 Limited Partners 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.

(c) The Cayman GP shall have no Capital Commitment-Related Commitment and no Capital Commitment Profit Sharing Percentage. The Capital Commitment Profit Sharing Percentage of the Delaware GP with respect to any Capital Commitment Investment will rank pari passu with those of the Limited Partners participating in the same Capital Commitment Investment.

Section 7.2. Capital Commitment Capital Accounts.

(a) There shall be established for each Partner (other than the Cayman GP) on the books of the Partnership as of the date of formation of the Partnership, or such later date on which such Partner is admitted to the Partnership, and on each such other date as such Partner 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 Partner acquires a Capital Commitment Interest on such date. Each Capital Commitment-Related Capital Contribution of a Partner shall be credited to the appropriate Capital Commitment Capital Account of such Partner on the date such Capital Commitment-Related Capital Contribution is paid to the Partnership. Capital Commitment Capital Accounts shall be adjusted to reflect any transfer of a Partner’s interest in the Partnership related to his or her Capital Commitment Partner Interest, as provided in this Agreement.

(b) A Partner shall not have any obligation to the Partnership or to any other Partner to restore any negative balance in the Capital Commitment Capital Account of such Partner. Until distribution of any such Partner's interest in the Partnership with respect to a Capital Commitment Interest as a result of the disposition by the Partnership of the related Capital Commitment Investment and in whole upon the winding up and dissolution of the Partnership, neither such Partner's Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption except with the consent of the General Partner.

Section 7.3. Allocations.

(a) Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners (including the Delaware GP, but excluding the Cayman GP) 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 Partner in the proportion which such Partner's aggregate Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; provided, that if any Partner makes the election provided for in Section 7.6, Capital Commitment Net Income (Loss) of the Partnership for each Capital Commitment Investment shall be allocated to the related Capital Commitment Capital Accounts of all the Partners 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 Section 7.7 shall be specially allocated to the electing Limited Partner.

(c) Notwithstanding the foregoing, the General Partner may make such allocations as it deems reasonably necessary to give economic effect to the provisions of this Agreement, taking into account facts and circumstances as the General Partner deems reasonably necessary for this purpose.

Section 7.4. Distributions.

(a) Each Limited Partner's allocable portion of Capital Commitment Net Income received from his or her Capital Commitment Investments, distributions to such Limited Partner that constitute returns of capital, and other Capital Commitment Net Income of the Partnership (including without limitation Capital Commitment Net Income attributable to Unallocated Capital Commitment Interests) during a Fiscal Year of the Partnership 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 General Partner) with any cash amount distributable to such Limited Partner pursuant to clauses (ii) and (vii) below to be distributed within 45 days after the end of each Fiscal Year of the Partnership (or in each case on such earlier date as selected by the General Partner 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 Limited Partner (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 Limited Partner'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 Limited Partner of an amount equal to the U.S. federal, state and local income taxes on income of the Partnership allocated to such Limited Partner for such year in respect of such Limited Partner's Capital Commitment Partner Interest (the aggregate amount of any such distribution shall be determined by the General Partner, 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 Partnership related to all Partners' Capital Commitment Partner Interests were all allocated to an individual subject to the then-prevailing maximum U.S. federal, New York State and New York City tax rates (including, without limitation, the "medicare" tax imposed under Section 1411 of the Code and taking into account the extent to which such taxable income allocated by the Partnership was composed of long-term capital gains and the deductibility of state and local income taxes for U.S. federal income tax purposes)); provided, that additional amounts shall be paid to the Limited Partner pursuant to this clause (ii) to the extent that such amount reduces the amount otherwise distributable to the Limited Partner pursuant to a comparable provision in any other BCE Agreement and there are not sufficient amounts to fully satisfy such provision from the relevant partnership or other entity; provided further, that amounts paid pursuant to the provisions in such other BCE Agreements comparable to the immediately preceding proviso shall reduce those amounts otherwise distributable to the Limited Partner pursuant to provisions in such other BCE 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 BCE Investments (other than Capital Commitment 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 Limited Partner of (A) all Capital Commitment-Related 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 any Blackstone Collateral Entity (other than the Partnership) in respect of interests therein relating to BCE Investments (other than Capital Commitment 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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner (including those unrelated to the Partnership), the selection of those of such Limited Partner'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 Limited Partner 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 or any other BCE Investment, as applicable, the payments in clauses (iii) and (iv) above shall be based on that portion of the Capital Commitment Investment or other BCE 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 Limited Partner who is no longer an employee or officer of Blackstone, distributions shall be made pursuant to clauses (i) through (iii) above, and then, unless the General Partner or its Affiliate has exercised its rights pursuant to Section 8.1 hereof, any remaining income or other distribution in respect of such Limited Partner's Capital Commitment Partner Interest shall be applied to the prepayment of the outstanding Investor Notes of such Limited Partner, until all such Limited Partner's Investor Notes have been repaid in full, with any such income or other distribution remaining thereafter distributed to such Limited Partner.

Distributions of Capital Commitment Net Income may be made at any other time at the discretion of the General Partner. At the General Partner's discretion, any amounts distributed to a Limited Partner in respect of such Limited Partner's Capital Commitment Partner Interest will be net of any interest and principal payable on his or her Investor Notes for the full period in respect of which the distribution is made. A distribution of Capital Commitment Net Income to the Delaware GP shall be made contemporaneously with each distribution of Capital Commitment Net Income to or for the accounts of the Limited Partners.

(b) [Intentionally omitted.]

(c) To the extent that the foregoing Partnership 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 General Partner in its sole discretion elects 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 Limited Partner that is no longer an employee or officer of Blackstone. 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 Partner shall be reduced by the amount of any distribution to such Partner pursuant to Section 7.4(a).

(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 Partnership, BPPG or BPPI (a “*Capital Commitment Disposable Investment*”), at the election of the General Partner each Partner’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 Partner’s “*Capital Commitment Class B Interest*”), and a Capital Commitment Interest attributable to such Capital Commitment Investment excluding the Capital Commitment Disposable Investment (a Partner’s “*Capital Commitment Class A Interest*”). Distributions (including those resulting from a direct or indirect sale, transfer, exchange or other disposition by the Partnership) 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 Partnership) 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 the Partnership is obligated under the Giveback Provisions to contribute to BPPG or BPPI, as applicable, all or a portion of a Giveback Amount with respect to the Capital Commitment BPPG/BPPI Interest (the amount of any such obligation of the Partnership being herein called a “*Capital Commitment Giveback Amount*”), the General Partner shall call for such amounts as are necessary to satisfy such obligation of the Partnership, 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 General Partner, such an amount of prior distributions by the Partnership with respect to the Capital Commitment BPPG/BPPI Interest (the “*Capital Commitment Recontribution Amount*”) which equals such Partner’s *pro rata* share of prior distributions in connection with (a) the Capital Commitment BPPG/BPPI 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 BPPI/BPPG Investments other than the one giving rise to such obligation. Each Partner shall promptly contribute to the Partnership upon notice thereof such Partner’s Capital Commitment Recontribution Amount. Prior to such time, the General Partner may, in the General Partner’s discretion (but shall be under no obligation to), provide notice that in the General Partner’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 Partner (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 General Partner shall require all other Partners and Withdrawn Partners 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 General Partner determines in its good faith judgment that the Partnership 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 Partnership is permitted to pay the Capital Commitment Giveback Amount; provided, that no Partner 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 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 Capital Commitment Defaulting Party, the cost of which shall be a Partnership expense to the extent not ultimately reimbursed by the Capital Commitment Defaulting Party. It is agreed that the Partnership 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 Partnership or any Affiliate thereof. Each Partner hereby grants to the General Partner a security interest, effective upon such Partner becoming a Capital Commitment Defaulting Party, in all accounts receivable and other rights to receive payment from the Partnership or any Affiliate of the Partnership and agrees that, upon the effectiveness of such security interest, the General Partner may sell, collect or otherwise realize upon such collateral. In furtherance of the foregoing, each Partner hereby appoints the Delaware GP as its true and lawful attorney-in-fact with full irrevocable power and authority, in the name of such Partner or in the name of the Partnership, to take any actions which may be necessary to accomplish the intent of the immediately preceding sentence. The General Partner 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 Partnership at a rate equal to the Default Interest Rate.

(B) Any Partner’s failure to make a Capital Commitment Deficiency Contribution shall cause such Partner to be a Capital Commitment Defaulting Party with respect to such amount.

(iii) A Partner’s obligation to make contributions to the Partnership under this Section 7.4(g) shall survive the termination of the Partnership.

Section 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 General Partner) in accordance with the principles utilized by the Partnership (or any Affiliate of the Partnership that is a general partner of BPPG or BPPI, as applicable) in valuing investments of BPPG and BPPI, as applicable, or, in the case of investments not held by BPPG and BPPI, as applicable, in the good faith judgment of the General Partner, 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 General Partner in good faith; provided further, that such value may be adjusted by the General Partner 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 Partners; 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 a General Partner.

Section 7.6. Disposition Election.

(a) At any time prior to the date of the Partnership’s execution of a definitive agreement to dispose of a Capital Commitment Investment, the General Partner may in its sole discretion permit a Partner to retain all or any portion of its *pro rata* share of such Capital Commitment Investment (as measured by such Partner’s Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment). If the General Partner so permits, such Partner shall instruct the General Partner in writing prior to such date (i) not to dispose of all or any portion of such Partner’s *pro rata* share of such Capital Commitment Investment (the “*Retained Portion*”) and (ii) either to (A) distribute such Retained Portion to such Partner on the closing date of such disposition or (B) retain such Retained Portion in the Partnership on behalf of such Partner until such time as such Partner shall instruct the General Partner upon 5 days’ notice to distribute such Retained Portion to such Partner. Such Partner’s Capital Commitment Capital Account shall not be adjusted in any way to reflect the retention in the Partnership of such Retained Portion or the Partnership’s disposition of other Partners’ *pro rata* shares of such Capital Commitment Investment; provided, that such Partner’s Capital Commitment Capital Account shall be adjusted upon distribution of such Retained Portion to such Partner or upon distribution of proceeds with respect to a subsequent disposition thereof by the Partnership.

(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.

Section 7.7. Capital Commitment Special Distribution Election.

(a) From time to time during the term of this Agreement, the General Partner may in its sole discretion, upon receipt of a written request from a Partner, distribute to such Partner any portion of its *pro rata* share of a Capital Commitment Investment (as measured by

such Partner's Capital Commitment Profit Sharing Percentage in such Capital Commitment Investment) (a "*Capital Commitment Special Distribution*"). Such Partner'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 PARTNERS

Section 8.1. Limited Partner Withdrawal; Repurchase of Capital Commitment Interests.

(a) Capital Commitment Interests (or a portion thereof) that were financed by Investor Notes will be treated as Non-Contingent for purposes hereof based upon the proportion of (a) the sum of Capital Commitment-Related 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-Related 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 Limited Partner may prepay a portion of any outstanding principal on the Investor Notes; provided, that in the event that a Limited Partner prepays all or any portion of the principal amount of the Investor Notes within nine months prior to the date on which such Limited Partner is no longer an employee or officer of Blackstone, the Partnership (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 Limited Partner's Contingent Capital Commitment Interests as set forth in paragraph (b) below. Prepayments made by a Limited Partner shall apply *pro rata* against all of such Limited Partner's Investor Notes; provided, that such Limited Partner may request that such prepayments be applied only to Investor Notes related to BCE Investments that are related to one or more Blackstone Collateral Entities specified by such Limited Partner. 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 Limited Partner ceasing to be an officer or employee of the General Partner or any of its Affiliates, other than as a result of such Limited Partner dying or suffering a Total Disability, such Limited Partner (the "*Withdrawn Partner*") and the General Partner on behalf of the Partnership or any other person designated by the General Partner shall each have the right (exercisable by the Withdrawn Partner within 30 days and by the Partnership or its designee(s) within 45 days of such Limited Partner's ceasing to be such an officer or employee) or any time thereafter, upon 30 days' notice, but not the obligation, to require the General Partner on behalf of the Partnership, subject to the Partnership Act, to buy (in the case of

exercise of such right by such Withdrawn Partner) or the Withdrawn Partner to sell (in the case of exercise of such right by the Partnership or its designee(s)) all (but not less than all) such Withdrawn Partner's Contingent Capital Commitment Interests. The purchase price for each such Contingent Capital Commitment Interest shall 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 paid in cash) and (ii) an additional amount (the "*Adjustment Amount*") equal to (x) all interest paid by the Limited Partner 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 Partner on the Contingent portion of such Capital Commitment Interest, minus (z) all Capital Commitment Net Income allocated to the Withdrawn Partner on the Contingent portion of such Capital Commitment Interest; provided, that, if the Withdrawn Partner was terminated from employment or his or her position as an officer for Cause, the amounts referred to in clause (x) or (y) of the Adjustment Amount, in the General Partner'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 Partner from the next Capital Commitment Net Income received by such holders on the Contingent portion of such Withdrawn Partner'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 Partner at the time such Capital Commitment Net Income is received by the Withdrawn Partner from the next Capital Commitment Net Income on the Non-Contingent portion of the Withdrawn Partner's Capital Commitment Interests or, if the Partnership or its designee(s) elect to purchase such Withdrawn Partner's Non-Contingent Capital Commitment Interests, in cash by the Withdrawn Partner at the time of such purchase; provided, that the General Partner and its Affiliates may offset any amounts otherwise owing to a Withdrawn Partner against any Adjustment Amount owed by such Withdrawn Partner. Until so paid, such remaining Adjustment Amount will not itself bear interest. At the time of such purchase of the Withdrawn Partner's Contingent Capital Commitment Interests, his or her related Investor Note shall be payable in full. If neither the Withdrawn Partner nor the Partnership nor its designee(s) exercises the right to require repurchase of such Contingent Capital Commitment Interests, then the Withdrawn Partner shall retain the Contingent portion of his or her Capital Commitment Interests and the Investor Notes shall remain outstanding, shall become fully recourse to the Withdrawn Partner in his or her individual capacity, shall be payable in accordance with their remaining original maturity schedules and shall be prepayable at any time by the Withdrawn Partner at his or her option, and the General Partner shall apply such prepayments against outstanding Investor Notes on a *pro rata* basis. To the extent that another Partner purchases a portion of a Capital Commitment Interest of a Withdrawn Partner, the purchasing Partner'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 Limited Partner, such Limited Partner shall thereupon cease to be a Partner with respect to such Limited Partner's Capital Commitment Partner Interest. If such a Final Event shall occur, no Successor in Interest to any such Limited Partner shall for any purpose hereof become or be deemed to become a Partner. The sole right, as against the Partnership and the remaining Partners, acquired hereunder by, or resulting hereunder to, a Successor in Interest to any Partner shall be to receive

any distributions and allocations with respect to such Limited Partner's Capital Commitment Partner Interest pursuant to Article VII and this Article VIII (subject to the right of the Partnership to purchase the Capital Commitment Interests of such former Partner 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 Limited Partner 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 Partner, whether by operation of law or otherwise. Until distribution of any such Partner's interest in the Partnership upon the winding up of the Partnership as provided in Section 9.2, neither his or her Capital Commitment Capital Accounts nor any part thereof shall be subject to withdrawal or redemption without the consent of the General Partner. The General Partner shall be entitled to treat any Successor in Interest to such Partner as the only person entitled to receive distributions and allocations hereunder with respect to such Partner's Capital Commitment Partner Interest.

(d) If a Limited Partner dies or suffers a Total Disability, all Contingent Capital Commitment Interests of such Partner shall be purchased by the General Partner on behalf of the Partnership or its designee (within 30 days of the first date on which the Partnership knows or has reason to know of such Limited Partner'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, personal representative or other Successor in Interest, 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 Limited Partner, if the estate, personal representative or other Successor in Interest of such Limited Partner so requests in writing within 180 days of the Limited Partner's death or ceasing to be an employee or member (directly or indirectly) of the General Partner or any of its Affiliates by reason of Total Disability (such requests shall not exceed one per calendar year), the Partnership 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 Limited Partner as of the last day of the Partnership's then current Fiscal Year at a price equal to the Capital Commitment Value thereof. Each Limited Partner shall be required to include appropriate provisions in his or her will to reflect such provisions of this Agreement. In addition, the General Partner on behalf of the Partnership may, in the sole discretion of the General Partner, upon notice to the estate, personal representative or other Successor in Interest of such Limited Partner, within 30 days of the first date on which the General Partner knows or has reason to know of such Limited Partner's death or Total Disability, determine either (i) to distribute Securities or other property to the estate, personal representative or other Successor in Interest, 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 Partnership or its designee as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion) for an amount in cash equal to the Capital Commitment Value thereof.

(e) In lieu of retaining a Withdrawn Partner as a Limited Partner with respect to any Non-Contingent Capital Commitment Interests, the General Partner may, in its sole discretion, by notice to such Withdrawn Partner within 45 days of his or her ceasing to be an employee or officer of the General Partner or any of its Affiliates, or at any time thereafter, upon 30 days written notice, determine (1) to distribute to such Withdrawn Partner the *pro rata* portion of the Securities or other property underlying such Withdrawn Partner's Non-Contingent Capital

Commitment Interests, subject to any restrictions on distributions associated with the Securities or other property, in satisfaction of his or her Non-Contingent Capital Commitment Interests in the Partnership or (2) to cause, as of the last day of any Fiscal Year of the Partnership (or earlier period, as determined by the General Partner in its sole discretion), the Partnership or another person designated by the General Partner (who may be itself another Limited Partner or another Affiliate of the General Partner) to purchase all (but not less than all) of such Withdrawn Partner's Non-Contingent Capital Commitment Interests for a price equal to the Capital Commitment Value thereof. The General Partner shall condition any distribution or purchase of voting Securities pursuant to paragraph (d) above or this paragraph (e) upon the Withdrawn Partner's execution and delivery to the Partnership of an appropriate irrevocable proxy, in favor of the General Partner or its nominee, relating to such Securities.

(f) The General Partner on behalf of the Partnership 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 General Partner. In connection with such purchase or transfer or the purchase of a Capital Commitment Interest or portion thereof by the General Partner's designee(s), Blackstone may loan all or a portion of the purchase price of the transferred or purchased Capital Commitment Interest to the Partnership, the transferee or the designee-purchaser(s), as applicable (excluding any of the foregoing who is an executive officer of Blackstone). To the extent that a Withdrawn Partner's Capital Commitment Interests (or portions thereof) are repurchased by the General Partner on behalf of the Partnership 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 General Partner, (i) be allocated to each Partner already participating in the Capital Commitment Investment to which the repurchased Capital Commitment Interest relates, (ii) be allocated to each Partner in the Partnership, whether or not already participating in such Capital Commitment Investment and/or (iii) continue to be held by the Partnership 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 Partners as provided in clause (i) and/or (ii) above, any indebtedness incurred by the Partnership to finance such repurchase shall also be allocated to such Partners. All such Capital Commitment Interests allocated to Limited Partners 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 Limited Partners 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 Limited Partners and the General Partner shall otherwise agree. If the indebtedness financing such repurchased interests is not so limited, the General Partner on behalf of the Partnership may require an assumption by the Limited Partners of such indebtedness on the terms thereof as a precondition to allocation of the related Capital Commitment Interests to such Limited Partners; provided, that a Limited Partner shall not, except as set forth in his or her Investor Note, be obligated to accept any personally recourse obligation, unless his or her prior consent is obtained. So long as the Partnership itself retains the Unallocated Capital Commitment Interests pursuant to clause (iii) above, such Unallocated Capital Commitment Interests shall belong to the Partnership and any indebtedness financing the Unallocated Capital Commitment Interests shall be an obligation of the Partnership to which all income of the Partnership 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 Partner in the proportion his or her aggregate

Capital Commitment Capital Accounts bear to the aggregate Capital Commitment Capital Accounts of all Partners; debt service on such related financing will be an expense of the Partnership allocable to all Partners in such proportions.

(g) If a Partner is required to Withdraw from the Partnership with respect to such Partner's Capital Commitment Partner Interest for Cause, then his or her Capital Commitment Interest shall be settled in accordance with paragraphs (a)-(f) and (j) of this Section 8.1; provided, that if such Partner was not at any time a direct member of a General Partner, the General Partner 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 Partner'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 Partner to retain such Non-Contingent Capital Commitment Interests; provided, that the maximum amount of Capital Commitment Net Income allocable to such Withdrawn Partner with respect to any Capital Commitment Investment shall equal the amount of Capital Commitment Net Income that would have been allocated to such Withdrawn Partner 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 Partner 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 General Partner on behalf of the Partnership will assist a Withdrawn Partner or his or her estate or guardian, as the case may be, in the settlement of the Withdrawn Partner's Capital Commitment Partner Interest in the Partnership. Third party costs incurred by the Partnership in providing this assistance will be borne by the Withdrawn Partner or his or her estate.

(i) The General Partner 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 General Partner will obtain the prior approval of a Withdrawn Partner or his or her estate or guardian, as the case may be, prior to engaging such professionals. If the Withdrawn Partner (or his or her estate or guardian) declines to incur such costs, the General Partner 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.

(j) To the extent permitted by applicable law, each Limited Partner hereby irrevocably appoints each 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 such General Partner 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 Limited Partner or the Partnership or the exercise of any right of such Limited Partner or the Partnership. Such power of attorney is intended to secure an interest in property, and, in addition, the obligations of each relevant Limited Partner under this Agreement and, to the extent permitted by applicable law, 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.

Section 8.2. Transfer of Limited Partner's Capital Commitment Interest. Without the prior written consent of the General Partner, no Limited Partner or former Limited Partner shall have the right to sell, assign, mortgage, pledge, grant a security interest over or otherwise dispose of or transfer ("Transfer") all or part of any such Partner's Capital Commitment Partner Interest in the Partnership; provided, that this Section 8.2 shall in no way impair (i) Transfers as permitted in Section 8.1 above and subject to the Partnership Act, in the case of the purchase of a Withdrawn Partner's or deceased or Totally Disabled Limited Partner's Capital Commitment Interests, (ii) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers by a Limited Partner to another Limited Partner of Non-Contingent Capital Commitment Interests, (iii) Transfers with the prior written consent of the General Partner, which consent may be granted or withheld in its sole discretion without giving any reason therefor and (iv) with the prior written consent of the General Partner, which shall not be unreasonably withheld, Transfers, for estate planning purposes, of up to 25% of a Limited Partner's Capital Commitment Partner Interest to an Estate Planning Vehicle (it being understood that it shall not be unreasonable for the General Partner to condition any Transfer of an Interest pursuant to this clause (iv) on the satisfaction of certain conditions and/or requirements imposed by the General Partner in connection with any such Transfer, including, for example, a requirement that any transferee of an Interest hold such Interest as a passive, non-voting interest in the Partnership). Each Estate Planning Vehicle will be a Nonvoting Limited Partner. Such Limited Partner and the Nonvoting Limited Partner shall be jointly and severally liable for all obligations of both such Limited Partner and such Nonvoting Limited Partner with respect to the interest transferred (including the obligation to make additional Capital Commitment-Related Capital Contributions). 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 Section 8.1 and Article VI. No person acquiring an interest in the Partnership pursuant to this Section 8.2 shall become a Limited Partner of the Partnership, or acquire such Partner's right to participate in the affairs of the Partnership, unless such person shall be admitted as a Limited Partner pursuant to Section 6.1. A Limited Partner shall not cease to be a limited partner of the Partnership upon the collateral assignment of, or the pledging or granting of a security interest in, its entire limited partner interest in the Partnership in accordance with the provisions of this Agreement.

Section 8.3. Compliance with Law. Notwithstanding any provision hereof to the contrary, no Transfer of a Capital Commitment Interest in the Partnership may be made except in compliance with the Partnership Act, the laws of the Cayman Islands and all U.S. federal, state and other applicable laws, including U.S. federal and state securities laws.

ARTICLE IX

DISSOLUTION

Section 9.1. Dissolution

(a) The Partnership shall be terminated, wound up and subsequently dissolved pursuant to the Partnership Act:

(i) pursuant to Section 6.6;

(ii) upon the expiration of the term of the Partnership; or

(iii) upon the occurrence of a Disabling Event with respect to the last remaining General Partner; provided, that the Partnership shall not be dissolved if, within 90 days after the Disabling Event, the Limited Partners entitled to vote thereon as provided herein who, as of the last day of the most recent accounting period ending on or prior to the date of the Disabling Event, have aggregate GP-Related Capital Account balances representing at least a majority in amount of the total GP-Related Capital Account balances of all the persons who are Limited Partners entitled to vote thereon as provided herein agree in writing to continue the business of the Partnership and to the appointment, effective as of the date of the Disabling Event, of another General Partner.

Each of the events causing a winding up of the Partnership set forth in clause (i), (ii) or (iii) of this Section 9.1(a) is herein called a “Winding Up Event.”

Section 9.2. Final Distribution.

(a) Subject to the Partnership Act, within 120 calendar days of a Winding Up Event, the assets of the Partnership shall be distributed in accordance with the Partnership Act in the following manner and order and subsequently the General Partner shall file a final notice of dissolution with the Registrar of Exempted Limited Partnerships in the Cayman Islands pursuant to the Partnership Act:

(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 the 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.

(b) The remaining assets of the Partnership shall be applied and distributed among the Partners as follows:

(i) With respect to each Partner's GP-Related Partner Interest, the remaining assets of the Partnership shall be applied and distributed to such Partner 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; and for purposes of the application of this Section 9.2(b)(i), determining GP-Related 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; and

(ii) With respect to each Partner's Capital Commitment Partner Interest, an amount shall be paid to such Partner in cash or Securities in an amount equal to such Partner'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 Partner in proportion to its Capital Commitment Liquidating Share for such Capital Commitment Investment; and the remaining assets of the Partnership related to the Partners' Capital Commitment Partner Interests shall be paid to the Partners 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.

Section 9.3. Amounts Reserved Related to Capital Commitment Partner Interests.

(a) If there are any Securities or other property or other investments or securities related to the Partners' Capital Commitment Partner 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 Partner's interest in each such Security or other investment or security may be excluded from the amount distributed to the Partners participating in the related Capital Commitment Investment pursuant to clause (ii) of Section 9.2(b). Any interest of a Partner, including his or her *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 Partnership related to the Partners' Capital Commitment Partner Interests as to which the interest or obligation of any Partner 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 Partner pursuant to clause (ii) of Section 9.2(b). No amount shall be paid or

charged to any such Partner on account of any such transaction or claim until its final settlement or such earlier time as the Liquidator shall determine. The Partnership may meanwhile retain from other sums due such Partner in respect of such Partner's Capital Commitment Partner Interest an amount which the Liquidator estimates to be sufficient to cover the share of such Partner 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 Partner from whom such sums or Securities or other property were withheld.

ARTICLE X

MISCELLANEOUS

Section 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, New York U.S.A. 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. 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 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 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 PARAGRAPH (B) 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 paragraph (c)(i) 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.

Section 10.2. Ownership and Use of the Firm Name. The Partnership acknowledges that Blackstone TM L.L.C. ("TM"), a Delaware limited liability company with a principal place of business at 345 Park Avenue, New York, New York 10154 U.S.A., (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 TM, which company (or its predecessors, successors or assigns) has licensed the Partnership to use BLACKSTONE in its name. The Partnership acknowledges that TM 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 TM. 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 TM and its Affiliates and licensees. The Partnership understands that TM may terminate its right to use BLACKSTONE at any time in TM's 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.

Section 10.3. Written Consent. Subject to applicable law, 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 10.4. Letter Agreements; Schedules. The General Partner may, or may cause the Partnership to, enter or has previously entered, into separate letter agreements with individual Partners with respect to GP-Related Profit Sharing Percentages, Capital Commitment Profit Sharing Percentages or any other matter. The General Partner may from time to time execute and deliver to the Partners Schedules which set forth the then current capital balances, GP-Related Profit Sharing Percentages and Capital Commitment 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; provided, that this in no way limits the effectiveness of any Commitment Agreement.

Section 10.5. Governing Law. Except as expressly provided in Section 10.1 (subject to applicable law), this Agreement shall be governed by and construed in accordance with the laws of the Cayman Islands, without regard to principles of conflicts of law. In particular, the Partnership has been formed and registered pursuant to the Partnership Act, and the rights, duties and liabilities of the 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. Unless the context otherwise requires, any reference to any law, regulation, governmental entity or agency or such survivor concepts shall be with respect to any jurisdiction, whether Cayman Islands, U.S. or otherwise.

Section 10.6. Successors and Assigns; Third Party Beneficiaries. 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 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 and Article VIII. Any Partner or Withdrawn Partner shall remain liable for the obligations under this Agreement (including any Net GP-Related Reconstitution Amounts and any Capital Commitment Reconstitution 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. The Partnership shall, if the General Partner determines, in its good faith judgment, based on the standards set forth in Section 5.8(d)(ii)(A) and Section 7.4(g)(ii)(A), to pursue such transferee, pursue payment (including any Net GP-Related Reconstitution Amounts and/or any Capital Commitment Reconstitution 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, and subject to and in accordance with the Contracts (Rights of Third Parties) Law, 2014, solely to the extent required by the BPPG Agreements and the BPPI Agreements, as applicable, (x) the

limited partner in BPPG and the limited partners in BPPI, as applicable, shall be third-party beneficiaries of the provisions of Sections 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions relating thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable), and (y) the amendment of the provisions of Sections 5.8(d)(i)(A) and Section 5.8(d)(ii)(A) (and the definitions related thereto), solely as they relate to any Clawback Amount (for purpose of this sentence, as defined in paragraph 9.2.8(b) of the BPPG Partnership Agreement and the BPPI Partnership Agreement, as applicable), shall be effective against such limited partners only with, as applicable, Consent (as such term is defined in the BPPG Partnership Agreement) or the Combined Limited Partner Consent (as such term is defined in the BPPI Partnership Agreement). Notwithstanding any other term of this Agreement, the consent of any person who is not a party to this Agreement (including any beneficiary under this Section 10.6) is not required for any variation of, amendment to, or release, rescission or termination of, this Agreement.

Section 10.7. Partner's Will. Each Limited Partner and Withdrawn Partner shall include in his or her will a provision that addresses certain matters in respect of his or her obligation relating to the Partnership that is satisfactory to the General Partner, and each such Limited Partner and Withdrawn Partner shall confirm annually to the Partnership, in writing, that such provision remains in his or her current will. Where applicable, any estate planning trust of such Partner or Withdrawn Partner to which a portion of such Limited 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 Limited Partner or Withdrawn Partner fails to comply with the provisions of this Section 10.7 after the Partnership has notified such Limited Partner or Withdrawn Partner of his or her 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 Limited Partner or Withdrawn Partner until the time at which such party complies with the requirements of this Section 10.7.

Section 10.8. 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. Notwithstanding anything in this Agreement to the contrary, to comply with Treasury Regulations Section 1.6011-4(b)(3)(i), each Partner (and any employee, representative or other agent of such Partner) may disclose to any and all persons, without limitation of any kind, the U.S. federal income tax treatment and tax structure of the Partnership, it being understood and agreed, for this purpose, (1) the name of, or any other identifying information regarding (a) the Partners or any existing or future investor (or any Affiliate thereof) in any of the Partners, or (b) any investment or transaction entered into by the Partners; (2) any performance information relating to any of the Partners or their investments; and (3) any performance or other information relating to previous funds or investments sponsored by any of the Partners, does not constitute such tax treatment or tax structure information.

Section 10.9. 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 books and records of the Partnership 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 or the General Partner or the Partnership specified as aforesaid. Sections 8 and 19(3) of the Electronic Transactions Law (2003 Revision) of the Cayman Islands shall not apply to this Agreement.

Section 10.10. 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 10.11. Power of Attorney. Each Partner hereby irrevocably appoints the General Partner as such Partner's true and lawful representative and attorney-in-fact, each 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 the United States of America, the State of Delaware or any other state 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 intended to secure an interest in property and, in addition, the obligation of each relevant Limited Partner under this Agreement 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 subsequent disability or incapacity of such Partner.

Section 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.

Section 10.13. 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 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.

Section 10.14. Entire Agreement. (a) 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 and unconditionally delivered this Agreement as a deed on the day and year written above. In the event that it is impracticable to obtain the signature of any one or more of the Partners to this Agreement, this Agreement shall be binding among the other Partners executing the same.

GENERAL PARTNERS:

BLACKSTONE PROPERTY INTERNATIONAL-NQ L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

BLACKSTONE PROPERTY INTERNATIONAL LTD.

By: Blackstone Real Estate Holdings Director L.L.C.

By: /s/ John G. Finley
Name: John G. Finley
Title: Chief Legal Officer

Witnessed by: /s/ Margaret Rudick
Name: Margaret Rudick

[Signature Page to Blackstone Property Associates International-NQ A&R LPA]

INITIAL LIMITED PARTNER:

MAPCAL LIMITED,

As Initial Limited Partner, solely to reflect its Withdrawal from
the Partnership

By: /s/ David Marshall

Name: David Marshall

Title: Duly Authorized Signatory

Witnessed by: /s/ Bryony Robottom

Name: Bryony Robottom

[Signature Page to Blackstone Property Associates International-NQ A&R LPA]

LIST OF SUBSIDIARIES

The following are subsidiaries of The Blackstone Group L.P. as of December 31, 2015 and the jurisdictions in which they are organized.

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
BCA IV - NQ L.L.C.	Delaware
BCCA I - NQ L.L.C.	Delaware
BCLA LLC	Delaware
BCLO Advisors L.L.C.	Delaware
BCMA FCC L.L.C.	Delaware
Bcom Side-By-Side GP L.L.C.	Delaware
BCP IV GP L.L.C.	Cayman Islands
BCP IV Side-By-Side GP L.L.C.	Delaware
BCP SGP IV GP L.L.C.	Cayman Islands
BCP V GP L.L.C.	Cayman Islands
BCP V Side-By-Side GP L.L.C.	Delaware
BCP V USS Side-by-Side GP LLC	Delaware
BCP VI GP L.L.C.	Delaware
BCP VI Side-by-Side GP L.L.C.	Delaware
BCP VI-NQ Side-by-Side GP L.L.C.	Delaware
BCP V-NQ (Cayman II) GP L.L.C.	Delaware
BCP V-NQ GP L.L.C.	Cayman Islands
BCRED Holdings (Cayman) - S L.L.C.	Cayman Islands
BCVA L.L.C.	Delaware
BCVP Side-By-Side GP L.L.C.	Delaware
BEP GP L.L.C.	Cayman Islands
BEP II GP L.L.C.	Delaware
BEP II Side-by-Side GP LLC	Delaware
BEP II Side-by-Side GP NQ L.L.C.	Delaware
BEP Side-by-Side GP L.L.C.	Delaware
BG (HK) L Holdings L.L.C.	Delaware
BGAL Holdings L.L.C.	Delaware
Blackstone (China) Equity Investment Management Company Limited	China
Blackstone (FM) Real Estate L.L.P.	United Kingdom
Blackstone (FM) Real Estate Supervisory GP LLP	United Kingdom
Blackstone (Shanghai) Equity Investment Management Co. Ltd. Beijing Branch	China
Blackstone (Shanghai) Equity Investment Management Company Limited	China
Blackstone Administrative Services Partnership L.P.	Delaware
Blackstone Advisors India Private Limited	India
Blackstone Advisory Partners L.P.	Delaware
Blackstone Advisory Services L.L.C.	Delaware
Blackstone AG Associates L.P.	Cayman Islands
Blackstone AG L.L.C.	Delaware
Blackstone AG Ltd.	Cayman Islands
Blackstone Alternative Asset Management Associates L.L.C.	Delaware
Blackstone Alternative Asset Management LP	Delaware
Blackstone Alternative Investment Advisors L.L.C.	Delaware
Blackstone Alternative Solutions L.L.C.	Delaware
Blackstone Capital Commitment Partners III L.P.	Delaware
Blackstone Cleantech Venture Advisors L.L.C.	California
Blackstone Cleantech Venture Associates L.L.C.	Delaware
Blackstone Commercial Real Estate Debt Associates L.L.C.	Delaware
Blackstone Commercial Real Estate Debt Associates-NQ L.L.C.	Delaware
Blackstone Communications Advisors I L.L.C.	Delaware
Blackstone Communications Capital Associates I - NQ L.P.	Delaware
Blackstone Communications Capital Commitment Partners I - NQ L.P.	Delaware
Blackstone Communications FCC L.L.C.	Delaware
Blackstone Communications GP L.L.C.	Cayman Islands
Blackstone Communications Management Associates (Cayman) L.P.	Cayman Islands

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Communications Management Associates I - NQ L.L.C.	Delaware
Blackstone Communications Management Associates L.L.C.	Delaware
Blackstone Corporate Debt Administration L.L.C.	Delaware
Blackstone Credit Liquidity Associates (Cayman) L.P.	Cayman Islands
Blackstone Credit Liquidity Associates L.L.C.	Delaware
Blackstone DD Advisors L.L.C.	Delaware
Blackstone DD Associates L.L.C.	Delaware
Blackstone Debt Advisors L.P.	Delaware
Blackstone Debt Orig Associates L.L.C.	Delaware
Blackstone Distressed Securities Advisors L.P.	Delaware
Blackstone Distressed Securities Associates L.P.	Delaware
Blackstone Distressed Securities Fund L.P.	Delaware
Blackstone DL Mezzanine Associates L.P.	Delaware
Blackstone DL Mezzanine Holdings (Cayman) L.P.	Cayman Islands
Blackstone DL Mezzanine Management Associates L.L.C.	Delaware
Blackstone DO Associates L.L.C.	Delaware
Blackstone EMA II LLC	Delaware
Blackstone EMA L.L.C.	Delaware
Blackstone EMA NQ LLC	Delaware
Blackstone Energy Family Investment Partnership (Cayman) ESC L.P.	Cayman Islands
Blackstone Energy Family Investment Partnership (Cayman) II - ESC L.P.	Cayman Islands
Blackstone Energy Family Investment Partnership (Cayman) L.P.	Cayman Islands
Blackstone Energy Family Investment Partnership ESC L.P.	Delaware
Blackstone Energy Family Investment Partnership II ESC L.P.	Delaware
Blackstone Energy Family Investment Partnership L.P.	Delaware
Blackstone Energy Family Investment Partnership NQ ESC L.P.	Delaware
Blackstone Energy LR Associates (Cayman) II Ltd.	Cayman Islands
Blackstone Energy LR Associates (Cayman) Ltd.	Cayman Islands
Blackstone Energy Management Associates (Cayman) II L.P.	Cayman Islands
Blackstone Energy Management Associates (Cayman) L.P.	Cayman Islands
Blackstone Energy Management Associates II L.L.C.	Delaware
Blackstone Energy Management Associates L.L.C.	Delaware
Blackstone Family Cleantech Investment Partnership L.P.	Delaware
Blackstone Family Communications FCC - NQ L.P.	Delaware
Blackstone Family Communications Partnership (Cayman) L.P.	Cayman Islands
Blackstone Family Communications Partnership I L.P.	Delaware
Blackstone Family FCC - NQ L.P.	Delaware
Blackstone Family FCC L.L.C.	Delaware
Blackstone Family GP L.L.C.	Delaware
Blackstone Family Investment Partnership (Cayman II) V NQ L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) III L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) IV - A L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) V L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) VI - ESC L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) VI L.P.	Cayman Islands
Blackstone Family Investment Partnership (Cayman) V-NQ L.P.	Cayman Islands
Blackstone Family Investment Partnership II L.P.	Delaware
Blackstone Family Investment Partnership III L.P.	Delaware
Blackstone Family Investment Partnership IV - A L.P.	Delaware
Blackstone Family Investment Partnership V L.P.	Delaware
Blackstone Family Investment Partnership V USS L.P.	Delaware
Blackstone Family Investment Partnership VI ESC L.P.	Delaware
Blackstone Family Investment Partnership VI L.P.	Delaware
Blackstone Family Investment Partnership VI-NQ ESC L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Family Investment Partnership VI-NQ L.P.	Delaware
Blackstone Family Media Partnership III L.P.	Delaware
Blackstone Family Real Estate Debt Strategies II - ESC L.P.	Delaware
Blackstone Family Real Estate Debt Strategies II - Side-by-Side GP L.L.C.	Delaware
Blackstone Family Real Estate Partnership II L.P.	Delaware
Blackstone Family Real Estate Partnership III L.P.	Delaware
Blackstone Family Real Estate Partnership L.P.	Delaware
Blackstone Family Tactical Opportunities FCC Investment Partnership ESC-NQ LP	Delaware
Blackstone Family Tactical Opportunities FCC Investment Partnership-NQ LP	Delaware
Blackstone Family Tactical Opportunities Investment Partnership (Cayman) ESC L.P.	Cayman Islands
Blackstone Family Tactical Opportunities Investment Partnership (Cayman) ESC NQ L.P.	Cayman Islands
Blackstone Family Tactical Opportunities Investment Partnership (Cayman) L.P.	Cayman Islands
Blackstone Family Tactical Opportunities Investment Partnership (Cayman) NQ L.P.	Cayman Islands
Blackstone Family Tactical Opportunities Investment Partnership ESC L.P.	Delaware
Blackstone Family Tactical Opportunities Investment Partnership ESC-NQ L.P.	Delaware
Blackstone Family Tactical Opportunities Investment Partnership L.P.	Delaware
Blackstone Family Tactical Opportunities Investment Partnership-NQ L.P.	Delaware
Blackstone FC Capital Associates IV L.P.	Delaware
Blackstone FC Capital Commitment Partners IV L.P.	Delaware
Blackstone FC Communication Capital Associates I L.P.	Delaware
Blackstone FC Communications Capital Commitment Partners I L.P.	Delaware
Blackstone FI Capital Commitment Partners (Cayman) III L.P.	Cayman Islands
Blackstone FI Communications Associates (Cayman) Ltd.	Cayman Islands
Blackstone FI Mezzanine (Cayman) II Ltd.	Cayman Islands
Blackstone FI Mezzanine (Cayman) Ltd.	Cayman Islands
Blackstone FI Mezzanine Associates (Cayman) L.P.	Cayman Islands
Blackstone FI Mezzanine Holdings (Cayman) II L.P.	Cayman Islands
Blackstone FI Mezzanine Holdings (Cayman) L.P.	Cayman Islands
Blackstone Fund Services India Private Limited	India
Blackstone Group Holdings L.L.C.	Delaware
Blackstone Group Holdings L.P.	Delaware
Blackstone Group International Holdings L.L.C.	Delaware
Blackstone Group Limited Partner L.L.C.	Delaware
Blackstone Group Real Estate Holdings International (Alberta) L.P.	Canada
Blackstone Holdings Finance Co. L.L.C.	Delaware
Blackstone Holdings I L.P.	Delaware
Blackstone Holdings I/II GP Inc.	Delaware
Blackstone Holdings II L.P.	Delaware
Blackstone Holdings III GP L.P.	Delaware
Blackstone Holdings III GP Limited Partner L.L.C.	Delaware
Blackstone Holdings III GP Management L.L.C.	Delaware
Blackstone Holdings III GP Sub L.L.C.	Delaware
Blackstone Holdings III L.P.	Canada
Blackstone Holdings I-Sub (BAAM) GP L.L.C.	Delaware
Blackstone Holdings IV GP L.P.	Canada
Blackstone Holdings IV GP Limited Partner L.L.C.	Delaware
Blackstone Holdings IV GP Management (Delaware) L.P.	Delaware
Blackstone Holdings IV GP Management L.L.C.	Delaware
Blackstone Holdings IV L.P.	Canada
Blackstone Infrastructure Management Partners LLC	Delaware
Blackstone Innovations (Cayman) III L.L.C.	Cayman Islands
Blackstone Innovations III L.L.C.	Delaware
Blackstone Innovations L.L.C.	Delaware
Blackstone Intermediary Holdco L.L.C.	Delaware
Blackstone Korea Advisors LLC	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Korea Advisors Ltd.	Korea
Blackstone Liberty Place L.L.C.	Delaware
Blackstone LR Associates (Cayman) IV Ltd.	Cayman Islands
Blackstone LR Associates (Cayman) V Ltd.	Cayman Islands
Blackstone LR Associates (Cayman) VI Ltd.	Cayman Islands
Blackstone LR Associates (Cayman) V-NQ Ltd.	Cayman Islands
Blackstone Management Associates (Cayman II) V-NQ L.P.	Cayman Islands
Blackstone Management Associates (Cayman) IV L.P.	Cayman Islands
Blackstone Management Associates (Cayman) V L.P.	Cayman Islands
Blackstone Management Associates (Cayman) VI L.P.	Cayman Islands
Blackstone Management Associates (Cayman) V-NQ L.P.	Cayman Islands
Blackstone Management Associates IV L.L.C.	Delaware
Blackstone Management Associates IV NQ L.L.C.	Delaware
Blackstone Management Associates V L.L.C.	Delaware
Blackstone Management Associates V USS L.L.C.	Delaware
Blackstone Management Associates VI L.L.C.	Delaware
Blackstone Management Associates VI-NQ L.L.C.	Delaware
Blackstone Management Partners (India) L.L.C.	Delaware
Blackstone Management Partners GP L.L.C.	Delaware
Blackstone Management Partners III L.L.C.	Delaware
Blackstone Management Partners IV L.L.C.	Delaware
Blackstone Management Partners L.L.C.	Delaware
Blackstone Management Partners L.P.	Delaware
Blackstone Market Opportunities Fund L.P.	Delaware
Blackstone Media Capital Commitment Partners III L.P.	Delaware
Blackstone Mezzanine Advisors L.P.	Delaware
Blackstone Mezzanine Associates II L.P.	Delaware
Blackstone Mezzanine Associates II USS L.P.	Delaware
Blackstone Mezzanine Associates L.P.	Delaware
Blackstone Mezzanine GP II L.L.C.	Delaware
Blackstone Mezzanine GP L.L.C.	Cayman Islands
Blackstone Mezzanine Holdings II L.P.	Delaware
Blackstone Mezzanine Holdings II USS L.P.	Delaware
Blackstone Mezzanine Holdings II-A L.P.	Delaware
Blackstone Mezzanine Holdings L.P.	Delaware
Blackstone Mezzanine Management Associates II L.L.C.	Delaware
Blackstone Mezzanine Management Associates II USS L.L.C.	Delaware
Blackstone Mezzanine Management Associates L.L.C.	Delaware
Blackstone OBS Associates L.P.	Cayman Islands
Blackstone OBS L.L.C.	Delaware
Blackstone OBS Ltd.	Cayman Islands
Blackstone Participation FCC - NQ L.P.	Delaware
Blackstone Participation FCC L.L.C.	Delaware
Blackstone Participation Partnership (Cayman II) V-NQ L.P.	Cayman Islands
Blackstone Participation Partnership (Cayman) IV L.P.	Cayman Islands
Blackstone Participation Partnership (Cayman) V L.P.	Cayman Islands
Blackstone Participation Partnership (Cayman) V-NQ L.P.	Cayman Islands
Blackstone Participation Partnership IV L.P.	Delaware
Blackstone Participation Partnership V L.P.	Delaware
Blackstone Participation Partnership V USS L.P.	Delaware
Blackstone PAT Holdings IV L.L.C.	Delaware
Blackstone PB I L.L.C.	Delaware
Blackstone PB II L.L.C.	Delaware
Blackstone PBIF III L.P.	Cayman Islands
Blackstone PBPEF V L.P.	Cayman Islands

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone PBREF III L.P.	Cayman Islands
Blackstone Property Advisors L.P.	Delaware
Blackstone Property Associates International L.L.C.	Delaware
Blackstone Property Associates International L.P.	Cayman Islands
Blackstone Property Associates International-NQ L.L.C.	Cayman Islands
Blackstone Property Associates International-NQ L.P.	Cayman Islands
Blackstone Property Associates L.L.C.	Delaware
Blackstone Property Associates L.P.	Delaware
Blackstone Property International Ltd.	Cayman Islands
Blackstone Property Management L.L.C.	Delaware
Blackstone Property Management Limited	United Kingdom
Blackstone Property Management S.À.R.L.	France
Blackstone RE Capital Commitment Partners III L.P.	Delaware
Blackstone Real Estate (Cayman) IV Ltd.	Cayman Islands
Blackstone Real Estate (Cayman) V Ltd.	Cayman Islands
Blackstone Real Estate (Cayman) VI - Q Ltd.	Cayman Islands
Blackstone Real Estate (Cayman) VI Ltd.	Cayman Islands
Blackstone Real Estate (Cayman) VII - NQ Ltd.	Cayman Islands
Blackstone Real Estate (Cayman) VII Ltd.	Cayman Islands
Blackstone Real Estate (Chiswick) Holdings L.P.	Cayman Islands
Blackstone Real Estate Advisors Europe L.P.	Delaware
Blackstone Real Estate Advisors III L.P.	Delaware
Blackstone Real Estate Advisors International L.L.C.	Delaware
Blackstone Real Estate Advisors IV L.L.C.	Delaware
Blackstone Real Estate Advisors L.P.	Delaware
Blackstone Real Estate Advisors V L.P.	Delaware
Blackstone Real Estate Advisors VI L.P.	Delaware
Blackstone Real Estate Associates (Alberta) IV L.P.	Canada
Blackstone Real Estate Associates (Offshore) V L.P.	Canada
Blackstone Real Estate Associates (Offshore) VI L.P.	Canada
Blackstone Real Estate Associates (Offshore) VII - NQ L.P.	Canada
Blackstone Real Estate Associates (Offshore) VII L.P.	Canada
Blackstone Real Estate Associates (Offshore) VIII - NQ L.P.	Cayman Islands
Blackstone Real Estate Associates (Offshore) VIII L.P.	Cayman Islands
Blackstone Real Estate Associates (Offshore) VI-Q L.P.	Canada
Blackstone Real Estate Associates Asia - NQ L.P.	Cayman Islands
Blackstone Real Estate Associates Asia L.P.	Cayman Islands
Blackstone Real Estate Associates Europe (Delaware) III - NQ L.L.C.	Delaware
Blackstone Real Estate Associates Europe (Delaware) III L.L.C.	Delaware
Blackstone Real Estate Associates Europe (Delaware) IV - NQ L.L.C.	Delaware
Blackstone Real Estate Associates Europe (Delaware) IV L.L.C.	Delaware
Blackstone Real Estate Associates Europe III - NQ L.P.	Delaware
Blackstone Real Estate Associates Europe III L.P.	Cayman Islands
Blackstone Real Estate Associates Europe IV - NQ L.P.	Cayman Islands
Blackstone Real Estate Associates Europe IV L.P.	Cayman Islands
Blackstone Real Estate Associates International (Delaware) II L.L.C.	Delaware
Blackstone Real Estate Associates International (Delaware) L.L.C.	Delaware
Blackstone Real Estate Associates International II L.P.	Cayman Islands
Blackstone Real Estate Associates International L.P.	Cayman Islands
Blackstone Real Estate Associates IV L.P.	Delaware
Blackstone Real Estate Associates V L.P.	Delaware
Blackstone Real Estate Associates VI - ESH L.P.	Delaware
Blackstone Real Estate Associates VI - NQ L.P.	Delaware
Blackstone Real Estate Associates VI L.L.C.	Delaware
Blackstone Real Estate Associates VI L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Real Estate Associates VII - NQ L.P.	Delaware
Blackstone Real Estate Associates VII L.P.	Delaware
Blackstone Real Estate Associates VIII - NQ L.P.	Delaware
Blackstone Real Estate Associates VIII L.P.	Delaware
Blackstone Real Estate Australia Pty Limited	Australia
Blackstone Real Estate Capital Commitment Partners III L.P.	Delaware
Blackstone Real Estate Capital GP Asia L.L.P.	United Kingdom
Blackstone Real Estate Capital GP VII L.L.P.	United Kingdom
Blackstone Real Estate Capital GP VII L.L.P. (UK)	United Kingdom
Blackstone Real Estate Capital UK Asia Limited	United Kingdom
Blackstone Real Estate Capital UK VII Limited	United Kingdom
Blackstone Real Estate Capital UK VII Limited (UK)	United Kingdom
Blackstone Real Estate CMBS Special Situations Associates L.L.C.	Delaware
Blackstone Real Estate Debt Strategies Associates II L.P.	Delaware
Blackstone Real Estate Debt Advisors UK Limited	United Kingdom
Blackstone Real Estate Europe (Cayman) III - NQ Ltd.	Cayman Islands
Blackstone Real Estate Europe (Cayman) III Ltd.	Cayman Islands
Blackstone Real Estate Europe Limited	United Kingdom
Blackstone Real Estate Holdings (Alberta) IV L.P.	Canada
Blackstone Real Estate Holdings (Offshore) V L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VI - ESC L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VI - Q ESC L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VI - Q L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VI L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VII - ESC L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VII L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VIII-ESC L.P.	Cayman Islands
Blackstone Real Estate Holdings (Offshore) VIII-NQ-ESC L.P.	Cayman Islands
Blackstone Real Estate Holdings (Offshore) VII-NQ - ESC L.P.	Canada
Blackstone Real Estate Holdings (Offshore) VII-NQ L.P.	Canada
Blackstone Real Estate Holdings Asia - ESC L.P.	Cayman Islands
Blackstone Real Estate Holdings Asia - NQ - ESC L.P.	Cayman Islands
Blackstone Real Estate Holdings Director L.L.C.	Delaware
Blackstone Real Estate Holdings Europe III - NQ L.P.	Canada
Blackstone Real Estate Holdings Europe III L.P.	Canada
Blackstone Real Estate Holdings Europe III-ESC L.P.	Canada
Blackstone Real Estate Holdings Europe III-NQ ESC L.P.	Canada
Blackstone Real Estate Holdings Europe IV - ESC L.P.	Delaware
Blackstone Real Estate Holdings Europe IV - NQ ESC L.P.	Cayman Islands
Blackstone Real Estate Holdings II L.P.	Delaware
Blackstone Real Estate Holdings III L.P.	Delaware
Blackstone Real Estate Holdings International - A L.P.	Canada
Blackstone Real Estate Holdings International II - Q L.P.	Canada
Blackstone Real Estate Holdings International II L.P.	Canada
Blackstone Real Estate Holdings IV L.P.	Delaware
Blackstone Real Estate Holdings L.P.	Delaware
Blackstone Real Estate Holdings V L.P.	Delaware
Blackstone Real Estate Holdings VI - NQ ESC L.P.	Delaware
Blackstone Real Estate Holdings VI - NQ L.P.	Delaware
Blackstone Real Estate Holdings VI L.P.	Delaware
Blackstone Real Estate Holdings VI-ESC L.P.	Delaware
Blackstone Real Estate Holdings VII L.P.	Delaware
Blackstone Real Estate Holdings VII-ESC L.P.	Delaware
Blackstone Real Estate Holdings VIII-ESC L.P.	Delaware
Blackstone Real Estate Holdings VIII-NQ-ESC L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Real Estate Holdings VII-NQ - ESC L.P.	Delaware
Blackstone Real Estate Holdings VII-NQ L.P.	Delaware
Blackstone Real Estate Income Advisors L.L.C.	Delaware
Blackstone Real Estate Korea Ltd.	Korea
Blackstone Real Estate Management Associates Europe III - NQ L.P.	Cayman Islands
Blackstone Real Estate Management Associates Europe III L.P.	Canada
Blackstone Real Estate Management Associates International II L.P.	Canada
Blackstone Real Estate Management Associates International L.P.	Canada
Blackstone Real Estate Partners Holdings Ltd.	United Kingdom
Blackstone Real Estate Partners Limited	United Kingdom
Blackstone Real Estate Partners VI - V.D. L.L.C.	United Kingdom
Blackstone Real Estate Partners VI.C-ESH L.P.	Delaware
Blackstone Real Estate Partners VII L.L.C.	Delaware
Blackstone Real Estate Special Situation Associates Europe - NQ L.L.C.	Delaware
Blackstone Real Estate Special Situations (Alberta) II GP L.P.	Delaware
Blackstone Real Estate Special Situations Advisors (Isobel) L.L.C.	Delaware
Blackstone Real Estate Special Situations Advisors L.L.C.	Delaware
Blackstone Real Estate Special Situations Associates Europe (Delaware) L.L.C.	Delaware
Blackstone Real Estate Special Situations Associates Europe L.P.	Delaware
Blackstone Real Estate Special Situations Associates II L.L.C.	Delaware
Blackstone Real Estate Special Situations Associates II-NQ L.L.C.	Delaware
Blackstone Real Estate Special Situations Associates L.L.C.	Delaware
Blackstone Real Estate Special Situations Europe (Cayman) Ltd.	Cayman Islands
Blackstone Real Estate Special Situations Europe GP L.L.C.	Cayman Islands
Blackstone Real Estate Special Situations Europe GP L.P.	Cayman Islands
Blackstone Real Estate Special Situations Fund L.P.	Delaware
Blackstone Real Estate Special Situations Holdings Europe - ESC L.P.	Canada
Blackstone Real Estate Special Situations Holdings Europe L.P.	Canada
Blackstone Real Estate Special Situations Holdings II - ESC L.P.	Delaware
Blackstone Real Estate Special Situations Holdings II - NQ ESC L.P.	Delaware
Blackstone Real Estate Special Situations Holdings II L.P.	Delaware
Blackstone Real Estate Special Situations Holdings II-NQ L.P.	Delaware
Blackstone Real Estate Special Situations Holdings L.P.	Cayman Islands
Blackstone Real Estate Special Situations Management Associates Europe L.P.	Cayman Islands
Blackstone Real Estate Special Situations Offshore Fund Ltd.	Cayman Islands
Blackstone Real Estate Special Situations Side-by-Side GP L.L.C.	Delaware
Blackstone Real Estate Special Situations-NQ Side-by-Side GP L.L.C.	Delaware
Blackstone Real Estate Supervisory UK Asia Limited	United Kingdom
Blackstone Real Estate Supervisory UK Limited	United Kingdom
Blackstone Real Estate Supervisory UK VII Limited	United Kingdom
Blackstone Real Estate UK Limited	United Kingdom
Blackstone Senfina Advisors L.L.C.	Delaware
Blackstone Senfina Associates L.L.C.	Delaware
Blackstone Services Mauritius II Ltd.	Mauritius
Blackstone Services Mauritius Ltd.	Mauritius
Blackstone SGP Associates (Cayman) IV Ltd.	Cayman Islands
Blackstone SGP Family Investment Partnership (Cayman) IV - A L.P.	Cayman Islands
Blackstone SGP Management Associates (Cayman) IV L.P.	Cayman Islands
Blackstone SGP Participation Partnership (Cayman) IV L.P.	Cayman Islands
Blackstone Singapore Pte. Ltd.	Singapore
Blackstone Strategic Alliance Advisors L.L.C.	Delaware
Blackstone Strategic Alliance Associates II L.L.C.	Delaware
Blackstone Strategic Alliance Associates III L.L.C.	Delaware
Blackstone Strategic Alliance Associates L.L.C.	Delaware
Blackstone Strategic Alliance Fund L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Blackstone Strategic Capital Advisors LLC	Delaware
Blackstone Strategic Capital Associates B LLC	Delaware
Blackstone Strategic Capital Associates L.L.C.	Delaware
Blackstone Strategic Equity Fund L.P.	Delaware
Blackstone Strategic Opportunity Associates L.L.C.	Delaware
Blackstone Tactical Opportunities Advisors L.L.C.	Delaware
Blackstone Tactical Opportunities Associates - NQ L.L.C.	Delaware
Blackstone Tactical Opportunities Associates II LLC (Delaware)	Delaware
Blackstone Tactical Opportunities Associates L.L.C.	Delaware
Blackstone Tactical Opportunities LR Associates (Cayman) - NQ Ltd.	Cayman Islands
Blackstone Tactical Opportunities LR Associates (Cayman) Ltd.	Cayman Islands
Blackstone Tactical Opportunities Management Associates (Cayman) - NQ L.P.	Cayman Islands
Blackstone Tactical Opportunities Management Associates (Cayman) L.P.	Cayman Islands
Blackstone Tenex L.P.	Delaware
Blackstone TM L.L.C.	Delaware
Blackstone Total Alternatives Solution Advisors L.L.C.	Delaware
Blackstone Total Alternatives Solution Associates 2015 I L.P.	Delaware
Blackstone Total Alternatives Solution Associates L.P.	Delaware
Blackstone Total Alternatives Solution Associates-NQ 2015 I L.P.	Delaware
Blackstone Total Alternatives Solution Associates-NQ L.P.	Delaware
Blackstone Treasury Holdings II L.L.C.	Delaware
Blackstone Treasury Holdings III L.L.C.	Delaware
Blackstone Treasury International Holdings	Delaware
Blackstone Treasury Solutions Advisors L.L.C.	Delaware
Blackstone Treasury Solutions Associates L.L.C.	Delaware
Blackstone TWF Family Investment Partnership L.P.	Delaware
Blackstone UK Mortgage Opportunities LR Associates (Cayman) Ltd.	Cayman Islands
Blackstone UK Mortgage Opportunities Management Associates (Cayman) L.P.	Cayman Islands
Blackstone UK Real Estate Supervisory Asia L.L.P.	United Kingdom
Blackstone UK Real Estate Supervisory VII L.L.P.	United Kingdom
Blackstone Value Recovery Fund L.P.	Delaware
Blackstone/GSO Capital Solutions Associates II LLC	Delaware
Blackstone/GSO Capital Solutions Associates LLC	Delaware
Blackstone/GSO Capital Solutions Overseas Associates LLC	Delaware
Blackstone/GSO Corporate Funding Limited	Ireland
Blackstone/GSO Debt Funds Europe (Luxembourg) S.à.r.l	Luxembourg
Blackstone/GSO Debt Funds Europe Ltd.	United Kingdom
Blackstone/GSO Debt Funds Management Europe II Limited	Ireland
Blackstone/GSO Debt Funds Management Europe Limited	Ireland
Blackstone/GSO Loan Financing Limited	Jersey
Blackstone/GSO Loan Financing Limited II	Jersey
Blackstone/GSO Market Neutral Credit Associates LLC	Delaware
Blackstone/GSO Market Neutral Credit Overseas Associates LLC	Delaware
BMA IV FCC L.L.C.	Delaware
BMA V L.L.C.	Delaware
BMA V USS L.L.C.	Delaware
BMA VI L.L.C.	Delaware
BMA VI-NQ L.L.C.	Delaware
BMEZ Advisors L.L.C.	Delaware
BMP DL Side-by-Side GP L.L.C.	Delaware
BMP II Side-by-side GP L.L.C.	Delaware
BMP II USS Side-by-side GP L.L.C.	Delaware
BMP Side-by-Side GP L.L.C.	Delaware
Boyne Valley B.V.	Netherlands
BPP Advisors L.L.C.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
BPP Core Asia - NQ L.L.C.	Delaware
BPP Core Asia - NQ Ltd.	Cayman Islands
BPP Core Asia Associates - NQ L.P.	Cayman Islands
BPP Core Asia Associates L.P.	Cayman Islands
BPP Core Asia L.L.C.	Delaware
BPP Core Asia Ltd.	Cayman Islands
BRE Advisors Europe L.L.C.	Delaware
BRE Advisors III L.L.C.	Delaware
BRE Advisors International L.L.C.	Delaware
BRE Advisors IV L.L.C.	Delaware
BRE Advisors V L.L.C.	Delaware
BRE Advisors VI L.L.C.	Delaware
BRE Associates International (Cayman) II Ltd.	Cayman Islands
BREA Edens L.L.C.	Delaware
BREA International (Cayman) II Ltd.	Cayman Islands
BREA International (Cayman) Ltd.	Cayman Islands
BREA IV L.L.C.	Delaware
BREA Management of Illinois L.L.C.	Delaware
BREA OMP GP L.L.C.	Delaware
BREA Property Management of Florida L.L.C.	Delaware
BREA Property Management of Illinois L.L.C.	Delaware
BREA Property Management of Michigan L.L.C.	Delaware
BREA Property Management of Pennsylvania L.L.C.	Delaware
BREA V L.L.C.	Delaware
BREA VI - ESH L.L.C.	Delaware
BREA VI - NQ L.L.C.	Delaware
BREA VI L.L.C.	Delaware
BREA VII - NQ L.L.C.	Delaware
BREA VII L.L.C.	Delaware
BREA VIII - NQ L.L.C.	Delaware
BREA VIII L.L.C.	Delaware
BREAI (Delaware) II L.L.C.	Delaware
BREAI II L.P.	Cayman Islands
BRECA LLC	Delaware
BREDS Associates II Loan NQ L.P.	Delaware
BREDS Associates II-NQ L.P.	Delaware
BREDS II Feeder Fund GP L.P.	Cayman Islands
BREDS II GP - Gaussian L.L.C.	Delaware
BREDS II GP AC L.L.C.	Delaware
BREDS II GP Gaussian NQ L.L.C.	Delaware
BREDS UK L.L.C.	Delaware
BREMAI II L.P.	Canada
BREP Asia - NQ L.L.C.	Delaware
BREP Asia L.L.C.	Delaware
BREP Asia Side-by-Side GP L.L.C.	Delaware
BREP Asia UK L.L.C.	Delaware
BREP Chiswick GP L.L.C.	Delaware
BREP Edens Associates L.P.	Delaware
BREP Europe III - NQ GP L.L.C.	Delaware
BREP Europe III - NQ GP L.P.	Delaware
BREP Europe III GP L.L.C.	Delaware
BREP Europe III GP L.P.	Delaware
BREP International GP L.L.C.	Delaware
BREP International GP L.P.	Delaware
BREP International II - Q GP L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
BREP International II GP L.L.C.	Delaware
BREP International II GP L.P.	Delaware
BREP International II-Q GP L.L.C.	Cayman Islands
BREP IV (Offshore) GP L.L.C.	Cayman Islands
BREP IV (Offshore) GP L.P.	Cayman Islands
BREP IV Side-by-Side GP L.L.C.	Delaware
BREP OMP Associates L.P.	Delaware
BREP V (Offshore) GP L.L.C.	Cayman Islands
BREP V (Offshore) GP L.P.	Delaware
BREP V Side-by-Side GP L.L.C.	Delaware
BREP VI - NQ Side-by-Side GP L.L.C.	Delaware
BREP VI - Q (Offshore) GP L.L.C.	Cayman Islands
BREP VI - Q (Offshore) GP L.P.	Delaware
BREP VI (Offshore) GP L.L.C.	Delaware
BREP VI (Offshore) GP L.P.	Delaware
BREP VI Side-by-Side GP L.L.C.	Delaware
BREP VII - NQ (Offshore) GP L.L.C.	Delaware
BREP VII - NQ (Offshore) GP L.P.	Cayman Islands
BREP VII - NQ Side-by-Side GP L.L.C.	Delaware
BREP VII (Offshore) GP L.L.C.	Delaware
BREP VII (Offshore) GP L.P.	Cayman Islands
BREP VII Side-by-Side GP L.L.C.	Delaware
BREP VIII - NQ (Offshore) GP L.L.C.	Delaware
BREP VIII (Offshore) GP L.L.C.	Delaware
BREP VIII UK L.L.C.	Delaware
BSSF Holdings - S L.L.C.	Delaware
BSSF I AIV GP L.L.C.	Delaware
BSSF I AIV L.P.	Delaware
BTAS Associates L.L.C.	Delaware
BTAS Associates-NQ L.L.C.	New York
BTD CP Holdings LP	Delaware
BTO - FCC NQ Side-by-Side GP L.L.C.	Delaware
BTO - NQ Side-by-Side GP L.L.C.	Delaware
BTO American Cruise Line Manager L.L.C.	Delaware
BTO Asia SBS Holdings I Ltd. (Cayman)	Cayman Islands
BTO Commodities Manager L.L.C.	Delaware
BTO ESC Park Holdings L.P.	Delaware
BTO ESC Precision Holdings L.P.	Delaware
BTO ESC PTI International Holdings L.P.	Cayman Islands
BTO ESC PTI US Holdings L.P.	Delaware
BTO ESC RGB Holdings L.P.	Delaware
BTO FCC Associates - NQ L.L.C. (Delaware)	Delaware
BTO Gamma Manager L.L.C.	Delaware
BTO George Manager L.L.C.	Delaware
BTO GP - NQ L.L.C.	Delaware
BTO GP L.L.C.	Cayman Islands
BTO Hafnia Manager L.L.C.	Delaware
BTO Hercules Manager L.L.C.	Delaware
BTO HFZ Manager L.L.C.	Delaware
BTO Holdings (Cayman) - NQ Manager L.L.C.	Cayman Islands
BTO Holdings Manager - NQ L.L.C.	Delaware
BTO Holdings Manager L.L.C.	Delaware
BTO IH3 Manager L.L.C.	Delaware
BTO Italian Manager L.L.C.	Delaware
BTO Koala Manager L.L.C.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
BTO Life Settlement Manager L.L.C.	Delaware
BTO Night Manager LLC	Delaware
BTO Omaha Manager L.L.C.	Delaware
BTO One Market Plaza Manager L.L.C.	Delaware
BTO Pluto Manager L.L.C. (Delaware)	Delaware
BTO Resolution Manager L.L.C.	Delaware
BTO Rothesay Manager L.L.C.	Delaware
BTO Side-by-Side GP L.L.C.	Delaware
BTOA II L.L.C. (Delaware)	Delaware
BTOA L.L.C.	Delaware
BTOA-NQ L.L.C.	Delaware
BUMO GP L.L.C.	Delaware
BXMT Advisors L.L.C.	Delaware
BZDIF Associates LP	Cayman Islands
BZDIF Associates GP LLC	Cayman Islands
BZDIF Associates GP Ltd.	Cayman Islands
BZDIF Associates Ltd.	Cayman Islands
Castle Park CLO Limited	Ireland
CHK Mid-Con Co-Invest Associates, LLC	Delaware
Cleveland Tonkawa CIM LLC	Delaware
Cleveland Tonkawa Royalty Company, LLC	Delaware
CT High Grade Partners II Co-Invest LLC	Delaware
CTIMCO LLC	Delaware
CTOPI Investor LLC	Delaware
Dartry Park CLO Limited	Ireland
Dorchester Park CLO Limited	Ireland
Equity Healthcare L.L.C.	Delaware
Graphite Holdings LLC	Delaware
GSO Advisor Holdings L.L.C.	Delaware
GSO Associates LLC	Delaware
GSO Bakken I Associates LLC	Delaware
GSO Beacon Co-Invest Associates LLC	Delaware
GSO Cactus Credit Opportunities Associates LLC	Delaware
GSO Capital Advisors LLC	Delaware
GSO Capital Opportunities Associates II LLC	Delaware
GSO Capital Opportunities Associates LLC	Delaware
GSO Capital Opportunities Overseas Associates LLC	Delaware
GSO Capital Partners (California) LLC	Delaware
GSO Capital Partners (Texas) GP LLC	Texas
GSO Capital Partners (Texas) LP	Texas
GSO Capital Partners (UK) Limited	United Kingdom
GSO Capital Partners International LLP	United Kingdom
GSO Capital Partners LP	Delaware
GSO Churchill Associates II LLC	Delaware
GSO Churchill Associates LLC	Delaware
GSO Coastline Credit Associates LLC	Delaware
GSO Community Development Capital Group Associates LP	Delaware
GSO Credit Alpha Associates LLC	Delaware
GSO Credit-A Associates LLC	Delaware
GSO Debt Funds Management LLC	Delaware
GSO Dublin LLC	Delaware
GSO Energy C Associates LLC	Delaware
GSO Energy Liquid Opportunities Associates LLC	Delaware
GSO Energy Market Opportunities Associates LLC	Delaware
GSO Energy Partners - A Associates LLC	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
GSO Energy Partners - B Associates LLC	Delaware
GSO Energy Partners - C Associates II LLC	Delaware
GSO Energy Partners - D Associates LLC	Delaware
GSO Energy Select Opportunities Associates LLC	Delaware
GSO European Senior Debt Associates LLC	Delaware
GSO FSEP II Holdings LLC	Delaware
GSO FSGCOF Holdings LLC	Delaware
GSO FSIC Holdings LLC	Delaware
GSO FSIC III Holdings LLC	Delaware
GSO Giant Co-Invest Associates LLC	Delaware
GSO Holdings I LLC	Delaware
GSO Holdings II LLC	Delaware
GSO Holdings III LLC	Delaware
GSO Legacy Associates II LLC	Delaware
GSO Legacy Associates LLC	Delaware
GSO MAK Associates LLC	Delaware
GSO NMERB Associates L.L.C.	Delaware
GSO Oasis Credit Associates LLC	Delaware
GSO Overseas Associates LLC	Delaware
GSO Palmetto Capital Associates LLC	Delaware
GSO Palmetto Opportunistic Associates LLC	Delaware
GSO SJ Partners Associates LLC	Delaware
GSO Targeted Opportunity Associates LLC	Delaware
GSO Targeted Opportunity Master Associates LLC	Delaware
GSO Targeted Opportunity Overseas Associates LLC	Delaware
Huskies Acquisition LLC	Delaware
Lexington National Land Services, LLC	New York
Lifestyle SBS (Singapore) Holdings Pte. Ltd.	Singapore
Lifestyle SBS Holding Ltd. (Cayman)	Cayman Islands
LNLS HoldCo LLC	Delaware
LNLS Upper Holdings LLC	Delaware
MB Asia REA L.L.C.	Delaware
MB Asia REA L.P.	Cayman Islands
MB Asia REA Ltd.	Cayman Islands
MB Asia Real Estate Associates L.P.	Cayman Islands
Orwell Park CLO Limited	Ireland
Phoenix Park CLO Limited	Ireland
Skellig Rock B.V.	Netherlands
Sorrento Park CLO Limited	Ireland
SPFS Advisors L.L.C.	Delaware
SPFSA 2007 L.L.C.	Delaware
SPFSA II L.L.C.	Delaware
SPFSA III L.L.C.	Delaware
SPFSA IV L.L.C.	Delaware
SPFSA V L.L.C.	Delaware
Steamboat Credit Opportunities GP LLC	Delaware
Stoneco IV Corporation	Delaware
Strategic Partners Fund Solutions Advisors L.P.	Delaware
Strategic Partners Fund Solutions Associates - NC Real Asset Opportunities, L.P.	Delaware
Strategic Partners Fund Solutions Associates 2007 L.P.	Delaware
Strategic Partners Fund Solutions Associates II L.P.	Delaware
Strategic Partners Fund Solutions Associates III, L.P.	Delaware
Strategic Partners Fund Solutions Associates IV L.P.	Delaware
Strategic Partners Fund Solutions Associates Real Estate VI L.P.	Delaware
Strategic Partners Fund Solutions Associates V, L.P.	Delaware

<u>Name</u>	<u>Jurisdiction of Incorporation or Organization</u>
Strategic Partners Fund Solutions Associates VI, L.P.	Delaware
Strategic Partners Fund Solutions GP (Offshore) Ltd.	Cayman Islands
TBG Realty Corp.	New York
TBGHK Holdings Ltd.	Hong Kong
TBGHKL - Australian Branch	Australia
The Blackstone Group (Asia) Limited	Hong Kong
The Blackstone Group (Australia) Pty Limited	Australia
The Blackstone Group (HK) Associates Ltd.	Hong Kong
The Blackstone Group (HK) Holdings Limited	Hong Kong
The Blackstone Group (HK) Limited	Hong Kong
The Blackstone Group Europe Limited	United Kingdom
The Blackstone Group Germany GmbH	Germany
The Blackstone Group International (Cayman) Limited	Cayman Islands
The Blackstone Group International Limited	United Kingdom
The Blackstone Group International Partners LLP	United Kingdom
The Blackstone Group Japan K.K.	Japan
The Blackstone Group Mauritius II Ltd.	Mauritius
The Blackstone Group Mauritius Ltd.	Mauritius
The Blackstone Group Spain, S.L.	Spain
Tymon Park CLO Limited	Ireland

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the following Registration Statements on Form S-3 and S-8 of our report dated February 26, 2016, relating to the consolidated financial statements of The Blackstone Group L.P. and subsidiaries (“Blackstone”) (which report expresses an unqualified opinion and includes an explanatory paragraph regarding the adoption of the Financial Accounting Standards Board’s amended consolidation guidance as of January 1, 2015) and the effectiveness of Blackstone’s internal control over financial reporting, appearing in this Annual Report on Form 10-K of Blackstone for the year ended December 31, 2015:

- Registration Statement No. 333-157632 (Common Units Representing Limited Partnership Interests) on Form S-3
- Registration Statement No. 333-151853 (Common Units Representing Limited Partnership Interests) on Form S-3
- Registration Statement No. 333-202359 (The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-194234 (The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-186999 (The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-179775 (The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-172451 (The Blackstone Group L.P. Amended and Restated 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-165115 (The Blackstone Group L.P. 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-157635 (The Blackstone Group L.P. 2007 Equity Incentive Plan) on Form S-8
- Registration Statement No. 333-143948 (The Blackstone Group L.P. 2007 Equity Incentive Plan) on Form S-8.

/s/ DELOITTE & TOUCHE LLP

New York, New York

February 26, 2016

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Stephen A. Schwarzman, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2015 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 periods 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) 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
 - d) 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 (the Registrant's fourth fiscal quarter in the case of an annual report) 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 control over financial reporting.

Date: February 26, 2016

/s/ Stephen A. Schwarzman

Stephen A. Schwarzman
Chief Executive Officer of
Blackstone Group Management L.L.C.

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Michael S. Chae, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2015 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 periods 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) 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
 - d) 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 (the Registrant's fourth fiscal quarter in the case of an annual report) 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 control over financial reporting.

Date: February 26, 2016

/s/ Michael S. Chae

Michael S. Chae
Chief Financial Officer of
Blackstone Group Management L.L.C.

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 Annual Report of The Blackstone Group L.P. (the "Partnership") on Form 10-K for the year ended December 31, 2015 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. Section § 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: February 26, 2016

/s/ Stephen A. Schwarzman

Stephen A. Schwarzman
Chief Executive Officer of
Blackstone Group Management L.L.C.

* 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.

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 Annual Report of The Blackstone Group L.P. (the "Partnership") on Form 10-K for the year ended December 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael S. Chae, Chief Financial Officer of Blackstone Group Management L.L.C., the general partner of the Partnership, certify, pursuant to 18 U.S.C. Section § 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: February 26, 2016

/s/ Michael S. Chae

Michael S. Chae
Chief Financial Officer of
Blackstone Group Management L.L.C.

* 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.

SECTION 13(r) DISCLOSURE

Travelport Limited, which may be considered our affiliate, provided the disclosure reproduced below in connection with activities during the year ended December 31, 2015. We have not independently verified or participated in the preparation of this disclosure.

“As part of our global business in the travel industry, we provide certain passenger travel related Travel Commerce Platform and Technology Services to Iran Air. We also provide certain Technology Services to Iran Air Tours. All of these services are either exempt from applicable sanctions prohibitions pursuant to a statutory exemption permitting transactions ordinarily incident to travel or, to the extent not otherwise exempt, specifically licensed by the U.S. Office of Foreign Assets Control. Subject to any changes in the exempt/licensed status of such activities, we intend to continue these business activities, which are directly related to and promote the arrangement of travel for individuals.

The gross revenue and net profit attributable to these activities for the year ended December 31, 2015 were approximately \$551,000 and \$389,000, respectively, and \$660,000 and \$470,000 for the year ended December 31, 2014, respectively.”