

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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FORM S-8  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933  
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Alliance Capital Management Holding L.P.  
(Exact Name of issuer as specified in its charter)

Delaware	6282	13-3434400
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification No.)	(I.R.S. Employer Identification No.)

1345 Avenue of the Americas  
New York, NY 10105  
(212) 969-1000  
(Address of principal executive offices)

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Amended and Restated Alliance Partners Compensation Plan  
(Full title of the Plan)  
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David R. Brewer, Jr., Esq.  
Alliance Capital Management L.P.  
1345 Avenue of the Americas  
New York, NY 10105

(Name and address of agent for service)  
Telephone number, including area code, of agent  
for service: (212) 969-1000

CALCULATION OF REGISTRATION FEE

Title of Securities to be Registered (1)	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Units Representing Assignments of Beneficial Ownership of Limited Partnership Interests.....	(2)	N/A (2)	\$49,000,000	\$12,936

(1) This registration statement is being filed to register the units (the "Units") representing assignment of beneficial ownership of limited partnership interests in Alliance Capital Management Holding L.P. ("Registrant"), which will be offered under the Amended and Restated Alliance Partners Compensation Plan (the "Plan"), which covers employees of Alliance Capital Management L.P., a subsidiary of the Registrant. The Plan provides for the granting to selected participants of deferred compensation awards which may ultimately be payable to such participants in the form of Units.

(2) This is a "dollar-for-dollar" registration. The number of Units and proposed maximum offering price are not determinable at this point. The Registrant will offer up to \$49,000,000 worth of Units, but the actual number of Units and maximum offering price per Unit will be determined pursuant to formulas provided in the Plan based on future market prices for the Units. Since the market prices are subject to fluctuation, the number of Units and maximum offering price per Unit will not be determinable until a future date when the Units are allocated under the

Plan. However, the maximum aggregate purchase price that will be paid by Plan participants for all Units offered in the 2000 Offering under the Plan being registered hereunder (i.e., the maximum aggregate offering price) will be \$49,000,000. This registration statement shall also register an indeterminate number of additional Units which may be offered and issued to prevent dilution resulting from Unit splits, Unit dividends or similar transactions.

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## PART I

The following documents listed under this Part I and the documents incorporated by reference under Item 3 of Part II to this Form S-8, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act of 1933, as amended (the "1933 Act"), and are incorporated herein by reference.

### ITEM 1. PLAN INFORMATION

The information required to be provided to participants pursuant to this Item is set forth in the Prospectus for the Amended and Restated Alliance Partners Compensation Plan (the "Plan").

### ITEM 2. REGISTRANT INFORMATION AND EMPLOYEE PLAN ANNUAL INFORMATION

The written statement required to be provided to participants pursuant to this Item is set forth in the Prospectus referenced in Item 1 above.

## PART II

### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

Alliance Capital Management Holding L.P. (the "Registrant") hereby files this Registration Statement with the Securities and Exchange Commission (the "Commission") on Form S-8 to register an indeterminate number of Units Representing Assignments of Beneficial Ownership of Limited Partnership Interests in the Registrant ("Units"), for issuance pursuant to the Plan and such indeterminate number of additional Units which may be offered and issued to prevent dilution resulting from Unit splits, Unit dividends or similar transactions pursuant to the Plan.

#### ITEM 3. INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The Registrant hereby incorporates herein by reference the following documents:

(1) The Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 1999;

(2) All reports filed pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), since December 31, 1999;

(3) The description of the Units contained in the Registration Statement on Form 8-A dated January 18, 1988, filed under the Exchange Act, including any amendment thereto or report filed for the purpose of updating such description; and

(4) All documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act subsequent to the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered herein have been sold or which deregisters all securities then remaining unsold.

Any statement contained herein or made in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this Registration Statement to the extent that a statement contained herein or in any other subsequently filed document which is also incorporated or deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Registration Statement.

#### ITEM 4. DESCRIPTION OF SECURITIES

See Item 3(3) above.

#### ITEM 5. INTERESTS OF NAMED EXPERTS AND COUNSEL

The validity of the plan interests offered hereby will be passed upon for the Registrant by David R. Brewer, Jr., Senior Vice President and General Counsel of Alliance Capital Management Corporation, the general partner of the Registrant (the "General Partner"). As of the date of this Registration Statement, the fair market value of securities of the Registrant, including options, beneficially owned by Mr. Brewer exceeds \$50,000 and, accordingly, such interest is deemed to represent a substantial interest in the Registrant.

#### ITEM 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 17-108 of the Delaware Revised Uniform Limited Partnership Act permits a limited partnership to indemnify and hold harmless any partner or other person from and against any and all claims whatsoever, subject to such standards and restrictions, if any, as set forth in its partnership agreement. Provision for indemnification under the Registrant's Agreement of Limited Partnership (As Amended and Restated) dated as of November 19, 1987, as amended (the "Partnership Agreement") is set forth in Section 6.9 of the Partnership Agreement. The Registrant has granted broad rights of indemnification to officers of the General Partner and to employees of the Registrant. In addition, the Registrant has assumed indemnification obligations previously

extended by the predecessor of the General Partner to its directors, officers and employees. The foregoing indemnification provisions are not exclusive, and the Registrant is authorized to enter into additional indemnification arrangements.

The Registrant maintains an insurance policy insuring the directors and officers of the General Partner against certain acts and omissions while acting in their official capacities.

#### EXHIBITS

The following is a complete list of exhibits filed as part of this Registration Statement:

Exhibit No.

5.1	Opinion of David R. Brewer, Jr., Esq.
23.1	Consent of David R. Brewer, Jr., Esq. (included in Exhibit 5.1)
23.2	Consent of Independent Auditors
24.1	Powers-of-Attorney
99.1	Amended and Restated Alliance Partners Compensation Plan

#### UNDERTAKINGS

(a) The undersigned registrant hereby undertakes:

(1) to file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) to include any prospectus required by Section 10(a)(3) of the 1933 Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of this Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this Registration Statement; and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in this Registration Statement or any material change to such information in this Registration Statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the Registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) that, for the purpose of determining any liability under the 1933 Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof; and

(3) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(b) The undersigned Registrant hereby undertakes that, for purposes of determining any liability under the 1933 Act, each filing of the Registrant's Annual Report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's Annual Report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

- (c) Insofar as indemnification for liabilities arising under the 1933 Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

PURSUANT TO THE REQUIREMENTS OF THE 1933 ACT, THE REGISTRANT CERTIFIES THAT IT HAS REASONABLE GROUNDS TO BELIEVE THAT IT MEETS ALL OF THE REQUIREMENTS FOR FILING ON FORM S-8 AND HAS DULY CAUSED THIS REGISTRATION STATEMENT TO BE SIGNED ON ITS BEHALF BY THE UNDERSIGNED, THEREUNTO DULY AUTHORIZED, IN THE CITY OF NEW YORK, STATE OF NEW YORK, ON THIS 7th DAY OF DECEMBER 2000.

ALLIANCE CAPITAL MANAGEMENT HOLDING L.P.

By: Alliance Capital Management Corporation,  
General Partner

By: /s/ Bruce W. Calvert

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Name: Bruce W. Calvert  
Title: Vice Chairman and Chief Executive  
Officer

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS REGISTRATION STATEMENT HAS BEEN SIGNED ON THE 7th DAY OF DECEMBER 2000 BY THE FOLLOWING PERSONS IN THEIR CAPACITIES AS DIRECTORS AND OFFICERS OF ALLIANCE CAPITAL MANAGEMENT CORPORATION, THE GENERAL PARTNER OF THE REGISTRANT.

Signature -----	Title -----
/s/ Dave H. Williams ----- Dave H. Williams	Chairman of the Board and Director
/s/ Bruce W. Calvert ----- Bruce W. Calvert	Vice Chairman and Chief Executive Officer, Director (Principal Executive Officer)
/s/ John D. Carifa ----- John D. Carifa	President and Chief Operating Officer, Director
/s/ Lewis A. Sanders ----- Lewis A. Sanders	Vice Chairman and Chief Investment Officer
/s/ Robert H. Joseph, Jr. ----- Robert H. Joseph, Jr.	Senior Vice President and Chief Financial Officer (Principal Financial Officer)
/s/ David R. Brewer, Jr. ----- David R. Brewer, Jr.	Senior Vice President and General Counsel

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- -----  
Donald H. Brydon

Director

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- -----  
Henri de Castries

Director

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- -----  
Kevin C. Dolan

Director

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- -----  
Denis Duverne

Director

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- -----  
Alfred Harrison

Vice Chairman and Director

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- -----  
Herve Hatt

Director

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- -----  
Michael Hegarty

Director

/s/ Roger Hertog

- -----  
Roger Hertog

Vice Chairman and Director

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- -----  
Benjamin D. Holloway

Director

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- -----  
W. Edwin Jarmain

Director

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- -----  
Edward D. Miller

Director

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- -----  
Peter D. Noris

Director

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Frank Savage

Director

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- -----

Peter J. Tobin

Director

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- -----

Stanley B. Tulin

Director

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- -----

Reba W. Williams

Director

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- -----

Robert B. Zoellick

Director

\* By: /s/ David R. Brewer

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(David R. Brewer, Jr., Esq., Attorney-in-fact)



## INDEX TO EXHIBITS

The following is a complete list of exhibits filed as part of this Registration Statement:

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5.1	Opinion of David R. Brewer, Jr., Esq.
23.1	Consent of David R. Brewer, Jr., Esq. (included in Exhibit 5.1)
23.2	Consent of Independent Auditors
24.1	Powers-of-Attorney
99.1	Copy of the Amended and Restated Alliance Partners Compensation Plan

December 7, 2000

Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Re: Amended and Restated Alliance  
Partners Compensation Plan

Dear Sirs:

I am Senior Vice President and General Counsel of Alliance Capital Management Corporation, the General Partner of Alliance Capital Management Holding L.P., a Delaware limited partnership (the "Partnership"), and have acted as counsel in connection with the registration under the Securities Act of 1933, as amended, of an indeterminate number of units representing assignments of beneficial ownership of limited partnership interests in the Partnership (the "Units") available for grant under the Amended and Restated Alliance Partners Compensation Plan (the "Plan").

As counsel for the Partnership, I, or attorneys under my supervision, have participated in the preparation of the Registration Statement and have examined and relied upon such documents, opinions, precedents, records and other materials as I have deemed necessary or appropriate to provide a basis for the opinion set forth below. In this examination, I have assumed the genuineness of all signatures, the authenticity of all documents submitted to me as original documents and conformity to original documents of all documents submitted to me as certified or photostatic copies.

Based on the foregoing, I am of the opinion that the Units deliverable pursuant to the Plan, when delivered in accordance with the Plan upon receipt by the Partnership of adequate consideration therefor, will be duly authorized, validly issued, fully paid and nonassessable.

I hereby consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement.

Very truly yours,

/s/ David R. Brewer, Jr.

-----  
David R. Brewer, Jr.

INDEPENDENT AUDITORS' CONSENT

The General Partner and Unitholders  
Alliance Capital Management Holding L.P.:

We consent to incorporation by reference in the registration statement on Form S-8 of Alliance Capital Management Holding L.P. (the "Registrant") of our report dated February 2, 2000 relating to the consolidated statements of financial condition of the Registrant as of December 31, 1999 and 1998, and the related consolidated statements of income, changes in partners' capital and comprehensive income, and cash flows for each of the years in the three-year period ended December 31, 1999 incorporated herein by reference in the annual report on Form 10-K of Alliance Holding.

New York, New York  
December 7, 2000

/s/ KPMG, L.L.P.

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## POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, THAT EACH PERSON WHOSE SIGNATURE APPEARS BELOW, CONSTITUTES AND APPOINTS ROBERT H. JOSEPH, JR. AND DAVID R. BREWER, JR. AND EACH OF THEM, OUR TRUE AND LAWFUL ATTORNEYS-IN-FACT AND AGENTS, WITH FULL POWER OF SUBSTITUTION AND RESUBSTITUTION, TO DO ANY AND ALL ACTS AND THINGS AND EXECUTE, IN THE NAME OF THE UNDERSIGNED, ANY AND ALL INSTRUMENTS WHICH SAID ATTORNEYS-IN-FACT AND AGENTS MAY DEEM NECESSARY OR ADVISABLE IN ORDER TO ENABLE ALLIANCE CAPITAL MANAGEMENT L.P. TO COMPLY WITH THE SECURITIES ACT OF 1933 AND ANY REQUIREMENTS OF THE SECURITIES AND EXCHANGE COMMISSION IN RESPECT THEREOF, IN CONNECTION WITH THE FILING WITH THE SECURITIES AND EXCHANGE COMMISSION OF THE REGISTRATION STATEMENT ON FORM S-8 UNDER THE SECURITIES ACT OF 1933 WITH RESPECT TO THE SECURITIES TO BE OFFERED UNDER THE SCB DEFERRED COMPENSATION AWARD PLAN, THE ALLIANCE CAPITAL MANAGEMENT HOLDING L.P. 1997 LONG TERM INCENTIVE PLAN, THE ALLIANCE CAPITAL MANAGEMENT HOLDING L.P. PARTNERS COMPENSATION PLAN, THE ALLIANCE CAPITAL MANAGEMENT HOLDING L.P. UNIT OPTION PLAN, THE ALLIANCE CAPITAL MANAGEMENT HOLDING L.P. 1993 UNIT OPTION PLAN AND THE PROFIT SHARING PLAN FOR EMPLOYEES OF ALLIANCE CAPITAL MANAGEMENT L.P., INCLUDING SPECIFICALLY BUT WITHOUT LIMITATION, POWER AND AUTHORITY TO SIGN THE NAME OF THE UNDERSIGNED TO SUCH REGISTRATION STATEMENT, AND ANY AMENDMENTS TO SUCH REGISTRATION STATEMENT (INCLUDING POST-EFFECTIVE AMENDMENTS), AND TO FILE THE SAME WITH ALL EXHIBITS THERETO AND OTHER DOCUMENTS IN CONNECTION THEREWITH, WITH THE SECURITIES AND EXCHANGE COMMISSION, TO SIGN ANY AND ALL APPLICATIONS, REGISTRATION STATEMENTS, NOTICES OR OTHER DOCUMENTS NECESSARY OR ADVISABLE TO COMPLY WITH APPLICABLE STATE SECURITIES LAWS, AND TO FILE THE SAME, TOGETHER WITH OTHER DOCUMENTS IN CONNECTION THEREWITH WITH THE APPROPRIATE STATE SECURITIES AUTHORITIES, GRANTING UNTO SAID ATTORNEYS-IN-FACT AND AGENTS, AND EACH OF THEM, FULL POWER AND AUTHORITY TO DO AND TO PERFORM EACH AND EVERY ACT AND THING REQUISITE OR NECESSARY TO BE DONE IN AND ABOUT THE PREMISES, AS FULLY AND TO ALL INTENTS AND PURPOSES AS THE UNDERSIGNED MIGHT OR COULD DO IN PERSON, HEREBY RATIFYING AND CONFIRMING ALL THAT SAID ATTORNEYS-IN-FACT AND AGENTS, AND ANY OF THEM, OR THEIR SUBSTITUTES, MAY LAWFULLY DO OR CAUSE TO BE DONE BY VIRTUE HEREOF.

Signature - - - - -	Title - - - - -	Date - - - - -
/s/ Dave H. Williams - - - - - Dave H. Williams	Chairman of the Board and Director	September 29, 2000
/s/ Luis Javier Bastida - - - - - Luis Javier Bastida	Director	September 28, 2000
/s/ Donald H. Brydon - - - - - Donald H. Brydon	Director	September 29, 2000
/s/ Bruce W. Calvert - - - - - Bruce W. Calvert	Vice Chairman and Director	September 27, 2000
/s/ John D. Carifa - - - - - John D. Carifa	Director	September 25, 2000
/s/ Henri de Castries - - - - - Henri de Castries	Director	September 29, 2000
/s/ Kevin C. Dolan - - - - - Kevin C. Dolan	Director	September 26, 2000
/s/ Denis Duverne - - - - - Denis Duverne	Director	September 26, 2000
/s/ Alfred Harrison - - - - - Alfred Harrison	Vice Chairman and Director	September 25, 2000

- ----- Herve Hatt	Director	September __, 2000
/s/ Michael Hegarty - ----- Michael Hegarty	Director	September 25, 2000
/s/ Benjamin D. Holloway - ----- Benjamin D. Holloway	Director	September 25, 2000
/s/ W. Edwin Jarmain - ----- W. Edwin Jarmain	Director	September 26, 2000
/s/ Edward D. Miller - ----- Edward D. Miller	Director	September 28, 2000
/s/ Peter D. Noris - ----- Peter D. Noris	Director	September 27, 2000
/s/ Frank Savage - ----- Frank Savage	Director	September 29, 2000

/s/ Peter J. Tobin ----- Peter J. Tobin	Director	September 25, 2000
/s/ Stanley B. Tulin ----- Stanley B. Tulin	Director	September 25, 2000
/s/ Reba W. Williams ----- Reba W. Williams	Director	September 29, 2000
/s/ Robert B. Zoellick ----- Robert B. Zoellick	Director	September 25, 2000
- ----- Lewis A. Sanders	Director	September __, 2000
- ----- Roger Hertog	Director	September __, 2000

AMENDED AND RESTATED  
ALLIANCE PARTNERS COMPENSATION PLAN

(as amended through December 6, 1999)

Alliance Capital Management Holding L.P. (together with any successor to all or substantially all of its business and assets, "Holding") and its successor and affiliate Alliance Capital Management L.P. (together with any successor to all or substantially all of its business and assets, "Alliance") have established this Alliance Partners Compensation Plan to (i) create a compensation program to attract and retain eligible employees expected to make a significant contribution to the future growth and success of Holding and Alliance, including their respective subsidiaries and (ii) foster the long-term commitment of these employees through the accumulation of capital and increased ownership of equity interests in Holding.

ARTICLE I  
DEFINITIONS; ELIGIBILITY

1. Definitions. Whenever used in the Plan, each of the following terms shall have the meaning for that term set forth below:

(a) "Account" means, with respect to Pre-1999 Awards, a separate bookkeeping account established for each Participant for each such Award, with the amount of the Award credited to the Account together with Earnings thereafter credited thereon.

(b) "Affiliate" means (i) any entity that, directly or indirectly, is controlled by Alliance and (ii) any entity in which Alliance has a significant equity interest, in either case as determined by the Board or, if so authorized by the Board, the Committee.

(c) "Alliance Units" means units representing assignments of beneficial ownership of limited partnership interests in Alliance.

(d) "Award" means any Pre-1999 Award or any Post-1998 Award.

(e) "Award Agreement" means any written agreement, contract or other instrument or document evidencing any Award, which may, but need not, be executed or acknowledged by a Participant.

(f) "Board" means the Board of Directors of the general partner of Holding and Alliance.

(g) "Code" shall mean the Internal Revenue Code of 1986, as amended.

(h) "Committee" shall mean the Board or one or more committees of the Board designated by the Board to administer the Plan.

(i) "Company" shall mean Holding, Alliance and any corporation or other entity of which Holding or Alliance (i) has sufficient voting power (not depending on the happening of a contingency) to elect at least a majority of its board of directors or other governing body, as the case may be, or (2) otherwise has the power to direct or cause the direction of its management and policies.

(j) "Director" shall mean any member of the Board.

(k) "Disability" shall mean, with respect to a Participant, a good faith determination by the Committee that the Participant is physically or mentally incapacitated and has been unable for a period of six consecutive months to perform substantially all of the duties for which the Participant was responsible immediately before the commencement of the incapacity. In order to assist the Committee in making such a determination and as reasonably requested by the Committee, a Participant will (i) make himself or herself available for medical examination by one or more physicians chosen by the Committee and approved by the Participant, whose approval shall not be unreasonably withheld, (ii) grant the Committee and any such physicians access to all relevant medical information relating to the Participant, (iii) arrange to furnish copies of medical records to the Committee and such physicians, and (iv) use his or her best efforts to cause the Participant's own physicians to be available to discuss the Participant's health with the Committee and its chosen physicians.

(1) "Earnings" means an amount computed as of the end of each calendar year equal to the product of (A) the balance of the Participant's Account as of the Effective Date of the Award credited thereto and (B) a percentage equal to the higher of (1) the "Alliance Growth Rate" for the period from such Effective Date through the end of the calendar year as of which the computation is being made (the "Earnings Period") and (2) the "Cumulative Compound Reference Rate" for the Earnings Period. For purposes of the foregoing, the "Alliance Growth Rate" means 1 plus the cumulative percentage increase or decrease in the level of Alliance's pre-tax operating earnings per Alliance Unit for each calendar



year during the Earnings Period, compounded annually, multiplied by the square of 1 plus the Reference Rate at the end of the Earnings Period, based on such product, determining the resultant compound annual growth rate (using the number of years in the Earnings Period plus two) and on the basis of such computation, determining the cumulative compound growth rate over the Earnings Period. Alliance's pre-tax operating earnings per Alliance Unit shall be based on Alliance's earnings for each year during the Earnings Period, including the weighted average number of Alliance Units outstanding during each such year, as determined in accordance with generally accepted accounting principles. For purposes of the foregoing, the "Cumulative Compound Reference Rate" means 1 plus the cumulative Reference Rate determined by taking the Reference Rate at the end of each calendar year during the Earnings Period, compounded annually, multiplied by the square of 1 plus the Reference Rate at the end of the Earnings Period, based on such product, determining the resultant compound annual rate (using the number of years in the Earnings Period plus two) and on the basis of such computation, determining the cumulative compound rate over the Earnings Period. All computations shall be made by the Committee and the resulting amounts rounded to the nearest one hundredth.

(m) "Effective Date" of an Award means December 31 of the calendar year for which the Award is initially granted under the Plan pursuant to Section 3(a) or 9 hereof.

(n) "Eligible Employee" shall mean, for any calendar year, an employee of a Company whom the Committee determines to be eligible for an Award; provided, that in connection with Pre-1999 Awards, Eligible Employees for any calendar year shall be limited to those employees whose annual compensation from the Companies for such year, excluding any Award, exceeds the amount prescribed by Code section 414(q)(1)(B) as adjusted from time to time and is such that the employees are "highly-compensated employees" by reference to ERISA sections 201(2), 301(a)(3) and 401(a)(1), as determined by the Committee.

(o) "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

(p) "Fair Market Value" shall mean, with respect to a Holding Unit as of any given date and except as otherwise expressly provided by the Board, the closing price of a Holding Unit on the New York Stock Exchange on such date or, if no sale of Holding Units occurs on the New York Stock Exchange on such date, the closing price of a Holding Unit on such Exchange on the last preceding day on which such sale occurred.

(q) "Final Account Balance" means the aggregate of the vested balances of a Participant in each Account maintained for the Participant as of the end of the calendar year immediately preceding the calendar year in which the employment of the Participant with the Companies terminates for any reason or, if the Participant's employment with the Companies terminates as of a calendar year end, as of that year end.

(r) "Holding Units" means units representing assignments of beneficial ownership of limited partnership interests in Holding.

(s) "Participant" means any Eligible Employee of any Company who has been designated by the Committee to receive an Award for any calendar year and who thereafter remains employed by a Company.

(t) "Partner's Pool" means, for each calendar year commencing with 1995, the sum of (i) the maximum amount first available to be awarded under this Plan with respect to that year; (ii) the aggregate amount previously forfeited pursuant to Sections 6 or 12 and not subsequently re-granted under the Plan; provided, that with respect to Restricted Units forfeited pursuant to Section 6, the amount that shall be added to the Partner's Pool pursuant to this Section 1(t) shall be the number of such Restricted Units multiplied by the Grant Value thereof; and (iii) an amount equal to the difference between the amount of the Partners Pool for the immediately preceding calendar year (as computed pursuant to this Subsection for that prior year) and the aggregate amount of Awards for such year; provided, that the Board or Committee may increase the amount otherwise available for awards under the Plan in any year by a reduction in the amount otherwise available for awards under the Alliance bonus pool for that year.

(u) "Plan" means the Alliance Partners Compensation Plan, as set forth herein and as amended from time to time.

(v) "Person" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, government or political subdivision thereof or other entity.

(w) "Post-1998 Award" means any Award subject to the provisions of Article II hereof.

(x) "Pre-1999 Award" means any Award subject to the provisions of Article III hereof.

(y) "Reference Rate" for any year means the average of the rates of interest on 6-month commercial paper (6-month certificates of deposit after

August 31, 1997) as reflected on "Federal Reserve statistical release" H.15 (or any successor publication thereto) as of the last day of the calendar year for or as of which such rate is to be determined and as of the last day of the immediately prior twelve calendar months.

(z) "Restricted Unit" shall mean any Holding Unit granted under Section 3(a) of the Plan and designated as a Restricted Unit.

(aa) "Retirement" with respect to a Participant shall mean that the employment of the Participant with the Company has terminated either (i) on or after the Participant's attaining age 65, or (ii) on or after the Participant's attaining age 55 at a time when the sum of the Participant's age and aggregate full calendar years of service with the Company, including service prior to April 21, 1988 with the corporation then named Alliance Capital Management Corporation, equals or exceeds 70.

(bb) "Termination of Employment" shall mean that the Participant involved is no longer performing services as an employee of any Company other than pursuant to a severance or special termination arrangement.

2. Eligibility. The Committee, in its sole discretion, will designate those Eligible Employees employed by a Company at the end of a calendar year who are to receive Awards for that year. In making such designation, the Committee will consider an Eligible Employee's position with a Company, the manner in which the Eligible Employee is expected to contribute to the future growth and success of the Company and such other criteria as it shall deem relevant. The Committee may vary the amount of Awards to a particular Participant from year to year and may determine that a Participant who received an Award to a particular year is not eligible to receive any Award with respect to any subsequent year. An Eligible Employee who is a member of the Committee during a particular year shall be eligible to receive an Award for that year only if the Award is approved by the majority of the other members of the Committee.

## ARTICLE II POST-1998 AWARDS

### 3. Grant of Awards.

(a) Not later than thirty days after the end of each calendar year commencing with 1999, the Committee may make Awards, effective as of the Effective Date of such calendar year, in such amounts as the Committee

determines in its sole discretion. The amount of each such Award shall initially be denominated in a specific cash amount. Except as otherwise provided below, each such Award shall be treated hereunder as a Post-1998 Award. In its sole discretion, the Committee may determine that the aggregate amount of Awards for any year will be less than the Partners Pool for that year only if the Award is approved by the majority of the other members of the Committee.

(b) As soon as reasonably practicable after the grant of Post-1998 Awards for each year as described in Section 3(a) above, the Committee shall determine, in its sole discretion, the Grant Value of a Holding Unit for such Awards. For this purpose, "Grant Value" shall mean the effective per-Unit cost of acquiring or issuing the Holding Units to be awarded with respect to such Post- 1998 Awards. Upon determination of the Grant Value for each relevant year, each Post-1998 Award for such year shall be denominated, and shall thereafter be treated for all purposes as, a grant of that number of Restricted Units equal to the quotient of the original cash-denominated amount of such Award, divided by the Grant Value for such Award, rounded down to the nearest integer.

(c) A Participant to whom a Post-1998 Award is made shall, reasonably promptly after either the vesting of Restricted Units subject to a Post- 1998 Award or the determination of the Grant Value for the relevant year as described in Section 3(b) above, be provided with a statement indicating the number of Restricted Units subject to such Award, subject to and pursuant to the terms of the Plan and the applicable Award Agreement.

(d) Notwithstanding the foregoing, the Committee shall have the authority, in its sole discretion, to treat any Award for a calendar year commencing with 1999 as a Pre-1999 Award. In such case, (i) the provisions of this Article II (other than Sections 3(a) and 3(d)) shall not apply to such Award; (ii) an Account shall be established with respect to such Award; and (iii) such Award shall otherwise be treated as subject in all respects to the provisions of Article 3 of the Plan; provided, that, notwithstanding Section 11 of the Plan, the amount of such Account (including Earnings thereon) will vest at the same rate as the rate at which restrictions would have lapsed with respect to the applicable Restricted Units in accordance with Section 5, had such Award instead been treated as a Post-1998 Award.

#### 4. Restricted Units.

(a) Restricted Units may not be sold, assigned, transferred, pledged or otherwise encumbered, except as provided in the Plan or the applicable Award

Agreements. Each certificate issued in respect of Restricted Units with respect to which transfer restrictions remain in effect shall bear an appropriate legend, in the form determined by the Committee. Upon the lapse of the restrictions applicable to such Restricted Units, the owner thereof shall have the right, upon request, to receive a certificate or certificates representing such Units free of the legend (to the extent permissible and appropriate under relevant securities or other law). Until receipt of any such request, the Committee shall cause the recordkeeper designated by the Committee under the Plan to hold such Units on the Participant's behalf in book entry form.

(b) Distributions paid on or in respect of any Restricted Units (whether vested or unvested) shall be paid directly to the relevant Participant.

#### 5. Vesting of Restricted Units.

(a) Except as provided in Section 5(b) below, restrictions shall lapse with respect to the Restricted Units subject to each Post-1998 Award in equal annual installments during the Vesting Period (as determined below) with respect to such Award, with restrictions as to the first such installment lapsing on the first anniversary of the date determined for this purpose by the Committee in connection with such Award (the "Grant Date"), and restrictions as to the remaining installments lapsing on subsequent anniversaries of the Grant Date, provided in each case that the Participant is employed by a Company on such anniversary. The "Vesting Period" with respect to each Post-1998 Award shall be as set forth in the following table, based on the Participant's age as of the Effective Date with respect to such Award:

Age of Participant As of Effective Date	Vesting Period
Up to and including 47	8 years
48	7 years
49	6 years
50-57	5 years
58	4 years
59	3 years
60	2 years

61  
62 or older

1 year  
Fully vested at grant

(b) In the event of a Participant's Termination of Employment due to death or Disability, restrictions on any remaining Restricted Units held by such Participant shall immediately lapse.

6. Forfeitures. In the event of a Participant's Termination of Employment for reasons other than death or Disability, all rights and interests in all of such Participant's Restricted Units with respect to which restrictions have not previously lapsed will be immediately forfeited; provided, however, that, in its sole discretion, the Committee may determine to accelerate the Participant's vesting of any such rights and interests and avoid the forfeiture of the Participant's otherwise unvested Restricted Units. Any amounts forfeited pursuant to this Section 6 shall increase the amount of the Partners Pool as provided for in Section 1(t)(ii).

7. Section 83(b) Election. A Participant will not make an election under section 83(b) of the Code with respect to an award of Restricted Units unless, prior to the date such election is filed with the Internal Revenue Service, the Participant (i) notifies the Committee of the Participant's intention to file such election, (ii) furnishes the Committee with a copy of the election to be filed and (iii) pays (or makes arrangements for the payment thereof satisfactory to the Committee) the withholding amount to Alliance in accordance with Section 17(i).

8. Adjustment of Restricted Units. In the event that the Committee determines that any distribution (whether in the form of cash, limited partnership interests, other securities, or other property), recapitalization (including, without limitation, any subdivision or combination of limited partnership interests), reorganization, consolidation, combination, repurchase, or exchange of limited partnership interests or other securities of Holding, issuance of warrants or other rights to purchase limited partnership interests or other securities of Holding, any incorporation of Holding, or other similar transaction or event affects the Holding Units such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan, then the Committee may, if so authorized by the Board, in such manner as it may deem equitable, adjust the number of Holding Units or other securities of Holding (or number and kind of other securities or property) subject to outstanding Awards, or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award.

ARTICLE III  
PRE-1999 AWARDS

9. Grant of Awards. Not later than thirty days after the end of each calendar year prior to 1999, the Committee may make Pre-1999 Awards, effective as of December 31 of the year to which the Award relates, in such amounts as the Committee determines in its sole discretion. A Participant to whom a Pre-1999 Award is made shall promptly thereafter be notified of the Award in writing by the Committee. The amount of each Pre-1999 Award made to a Participant will be credited to a separate Account as of the Effective Date of the Award. In its sole discretion, the Committee may determine that the aggregate amount of Awards for any year will be less than the Partners Pool for that year.

10. Earnings on an Account. As of the end of each calendar year following the year for which an Account is established, each Account maintained for a Participant who was employed by the Company at the end of that year will be credited or debited, as applicable, with the amount, if any, necessary to reflect Earnings as of that date. As soon as practicable after the end of each such calendar year, a statement shall be provided to each such Participant indicating the current balance in each Account maintained for the Participant as of the end of the calendar year.

11. Vesting of Amounts in a Participant's Account. With respect to each Pre-1999 Award made for 1995, a Participant's rights and interest therein and any Earnings thereon credited to the Participant's Account will vest at the rate of 33 percent for each full calendar year that the Participant is employed by a Company after 1995. With respect to each Pre-1999 Award made for a calendar year after 1995, a Participant's rights and interest therein and any Earnings thereon credited to the Participant's Account will vest at the rate of 12 percent for each full calendar year that the Participant is employed by a Company after the Effective Date of the Award. Notwithstanding any provision of this Article III to the contrary, a Participant's rights and interest in the balance in the Participant's Account to the extent not then vested shall become fully vested upon the Participant's death, Disability or Retirement.

12. Forfeiture of a Participant's Account Balances. If a Participant ceases to be employed by any of the Companies, the balance of any Account maintained for a Participant on the effective date of the Participant's Termination of Employment that is not then fully vested (and that does not vest upon such termination) pursuant to Section 11 or Section 3(d) will thereupon be forfeited; provided, however, that, in its sole discretion, the Committee may determine to

accelerate the Participant's vesting in any such Account and avoid the forfeiture of the Participant's otherwise unvested Account balance. Any amounts forfeited pursuant to this Section 12 shall increase the amount of the Partners Pool as provided for in Section 1(t)(ii).

13. Distributions of a Participant's Final Account Balances.

(a) In the event a Participant's employment with the Companies terminates by reason of the Participant's death, the Participant's Final Account Balance, plus interest as provided in Subsection (d)(i) of this Section, will be distributed to the Participant's Beneficiary in a single-sum cash payment within 45 days after the later of the date the Committee receives (i) written notification in form satisfactory to it of the Participant's death, and (ii) any tax waiver or governmental document deemed relevant by the Committee with respect to making the payment.

(b) In the event a Participant's employment with the Companies terminates by reason of the Participant's Disability or Retirement, the Participant's Final Account Balance, plus interest as provided in Subsection (d)(ii) of this Section, will be distributed to the Participant or to the Participant's Beneficiary, as the case may be, in cash in five equal annual installments, the first to be made on a date within 45 days after the January 1 immediately following the effective date of such Disability or Retirement and the others to be made within 45 days of January 1 in each of the four subsequent calendar years; provided, however, that a payment shall be made in a single-sum in an amount up to 50 percent of his or her Final Account Balance, plus interest as provided in Subsection (d)(i) of this Section, if the Participant elects to receive such a payment by written notice submitted to the Committee at least twelve months before the effective date of the Participant's Disability or Retirement, as the case may be. Any such single-sum payment shall be made within 45 days after the effective date of the Participant's Disability or Retirement, as the case may be, and the subsequent five equal installment payments, which shall total (i) the Final Account Balance reduced by the single-sum payment computed without regard to Subsection (d)(i) of this Section plus (ii) interest as provided in Subsection (d)(ii) of this Section, shall be made within 45 days of January 1 in each of the five subsequent calendar years.

(c) In the event a Participant's employment with the Companies terminates for any reason other than the Participant's death, Disability or Retirement, the Participant's Final Account Balance, plus interest as provided in Subsection (d)(ii) of this Section, will be distributed to the Participant or the



Participant's Beneficiary, as the case may be, in cash in five equal annual installments, the first to be made on a date within 45 days after the January 1 immediately following the effective date of the Participant's Termination of Employment and the others within 45 days of January 1 in each of the four subsequent calendar years.

(d) (i) Each single-sum payment to be made pursuant to Subsection (a) or (b) of this Section shall include interest on the Final Account Balance to be paid at the Reference Rate as of the date the Final Account Balance is to be determined.

(ii) Each installment payment to be made pursuant to Subsection (b) or (c) of this Section shall be calculated by considering the portion of the Participant's Final Account Balance payable in installments as an indebtedness that accrues interest at the Reference Rate as of the date the Final Account Balance is determined and that will be amortized by equal payments on January 1 of the five calendar years in which the installments payments are to be made sufficient to fully discharge the deemed indebtedness by the final installment payment.

#### ARTICLE IV ADMINISTRATION; MISCELLANEOUS

14. Administration of the Plan. No part of the Plan is intended to be subject to ERISA. Without limiting the foregoing, Article III of the Plan is intended to represent an unfunded, non-qualified deferred compensation plan within the meaning of ERISA and shall be administered by the Committee as such. The Committee shall have the full power and authority to administer and interpret the Plan and to take any and all actions in connection with the Plan, including, but not limited to, the power and authority to prescribe all applicable procedures, forms and agreements. The Committee's interpretation and construction of the Plan, including its computation of Grant Value, number of Restricted Units to be awarded each Participant, and Earnings, shall be conclusive and binding on all persons having an interest in the Plan.

15. Authority to Vary Terms of Awards. The Committee shall have the authority to grant Awards other than as described in Articles II and III, subject to such terms and conditions as the Committee shall determine in its discretion.

16. Amendment, Suspension and Termination of the Plan. The Committee reserves the right at any time, without the consent of any Participant or Beneficiary and for any reason, to amend, suspend or terminate the Plan in whole or in part in any manner; provided that no such amendment, suspension or

termination shall adversely affect any right of any Participant or Beneficiary with respect to any Post-1998 Award or, with respect to any Pre-1999 Award, any balance in any Account, prior to such amendment, suspension or termination.

#### 17. General Provisions.

(a) To the extent provided by the Committee, each Participant may file with the Committee a written designation of one or more persons, including a trust or the Participant's estate, as the Beneficiary entitled to receive, in the event of the Participant's death, any amount or property to which the Participant would otherwise have been entitled under the Plan. A Participant may, from time to time, revoke or change his or her Beneficiary designation by filing a new designation with the Committee. If (i) no such Beneficiary designation is in effect at the time of a Participant's death, (ii) no designated Beneficiary survives the Participant, or (iii) a designation on file is not legally effective for any reason, then the Participant's estate shall be the Participant's Beneficiary.

(b) Neither the establishment of the Plan nor the grant of any Award or any action of any Company, the Board of Directors, or the Committee pursuant to the Plan, shall be held or construed to confer upon any Participant any legal right to be continued in the employ of any Company. Each Company expressly reserves the right to discharge any Participant without liability to the Participant or any Beneficiary, except as to any rights which may expressly be conferred upon the Participant under the Plan.

(c) The right of any Participant or Beneficiary to receive payments under Article III of the Plan shall be an unsecured claim against the general assets of Alliance. All distribution to be made under Article III of the Plan shall be paid from the general funds of Alliance and no special or separate fund shall be established and no segregation of assets shall be made to assure payments of any such distributions. No Participant or Beneficiary shall have any right, title or interest whatsoever in, or to, any investments which Alliance may make to assist it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to the Plan, shall create or be construed to create a trust of any kind, or a fiduciary relationship between any Company and any other person.

(d) No right to receive any payment under the Plan may be transferred or assigned, pledged or otherwise encumbered by any Participant or Beneficiary other than by will, by the applicable laws of descent and distribution or by a court of competent jurisdiction. Any other attempted assignment or alienation of any payment hereunder shall be void and of no force or effect.

(e) If any provision of the Plan shall be held illegal or invalid, the illegality or invalidity shall not affect the remaining provisions of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included in the Plan.

(f) Any notice to be given by the Committee under the Plan to a Participant or Beneficiary shall be in writing addressed to the Participant or Beneficiary, as the case may be, at the last address shown for the recipient on the records of any Company or subsequently provided in writing to the Committee. Any notice to be given by a Participant under the Plan shall be in writing addressed to the Committee at the address of Alliance.

(g) Section headings herein are for convenience of reference only and shall not affect the meaning of any provision of the Plan.

(h) The provisions of the Plan shall be governed and construed in accordance with the laws of the State of New York.

(i) There shall be withheld from each payment made pursuant to the Plan any tax or other charge required to be withheld therefrom pursuant to any federal, state or local law. A Company by whom a Participant is employed shall also be entitled to withhold from any compensation payable to a Participant any tax imposed by Section 3101 of the Code, or any successor provision, on any Award made to the Participant; provided, however, that if for any reason the Company does not so withhold the entire amount of such tax on a timely basis, the Participant shall be required to reimburse Alliance for the amount of the tax not withheld promptly upon Alliance's request therefore. With respect to Restricted Units: (i) in the event that the Committee determines that any federal, state or local tax or any other charge is required by law to be withheld with respect to the Restricted Units, the vesting of Restricted Units, or an election under Section 83(b) of the Code (a "Withholding Amount") then, in the discretion of the Committee, either (X) prior to or contemporaneously with the delivery of Restricted Units to the recipient, the recipient shall pay the Withholding Amount to Alliance in cash or in vested Holding Units already owned by the recipient (which are not subject to a pledge or other security interest), or a combination of cash and such Units, having a total fair market value, as determined by the Committee, equal to the Withholding Amount; (Y) Alliance shall retain from any vested Restricted Units to be delivered to the recipient that number of Units having a fair market value, as determined by the Committee, equal to the Withholding Amount (or such portion of the Withholding Amount that is not satisfied under clause (X) as payment of the Withholding

Amount; or (Z) if Restricted Units are delivered without the payment of the Withholding Amount pursuant to either clause (X) or (Y), the recipient shall promptly pay the Withholding Amount to Alliance on at least seven business days notice from the Committee either in cash or in vested Holding Units owned by the recipient (which are not subject to a pledge or other security interest), or a combination of cash and such Units, having a total fair market value, as determined by the Committee, equal to the Withholding Amount, and (ii) in the event that the recipient does not pay the Withholding Amount to Alliance as required pursuant to clause (i) or make arrangements satisfactory to Alliance regarding payment thereof, Alliance may withhold any unpaid portion thereof from any amount otherwise due the recipient from Alliance.