

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

FORM S-8

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Alliance Capital Management Holding L.P.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

13-3434400
(I.R.S. Employer
Identification Number)

1345 Avenue of the Americas
New York, NY 10105
(212) 969-1000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Alliance Commission Substitution Plan

Amended and Restated
Alliance Partners Compensation Plan

Alliance Capital Management L.P.
Financial Advisor Wealth Accumulation Plan

(Full title of the Plans)

Laurence E. Cranch, Esq.
Alliance Capital Management L.P.
1345 Avenue of the Americas
New York, NY 10105
(212) 969-1000

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

CALCULATION OF REGISTRATION FEE

Title Of Each Class Of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Unit(1)	Proposed Maximum Aggregate Offering Price(1)	Amount Of Registration Fee
Units Representing Assignments of Beneficial Ownership of Limited Partnership Interests	(2)	N/A(2)	\$100,000,000	\$11,770

- (1) This registration statement is being filed to register the units (the "Units") representing assignments of beneficial ownership of limited partnership interests in Alliance Capital Management Holding L.P. ("Registrant"), which will be offered under the Alliance Commission Substitution Plan, the Amended and Restated Alliance Partners Compensation Plan and/or the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan (collectively, the "Plans"), which cover 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 \$100,000,000 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 market price for all Units allocated to Plan participants under the Plan being registered hereunder prior to the filing of a new registration statement under the Plan (i.e., the maximum aggregate offering price) will be \$100,000,000. 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.

PART I

This registration statement covers the three Plans described and defined in Item 1 of this Part I. The documents describing each Plan referred to in Item 1 and the documents incorporated by reference under Item 3 of Part II to this Form S-8, taken together, constitute a prospectus for that Plan (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 relevant Prospectus for each of the Alliance Commission Substitution Plan, the Amended and Restated Alliance Partners Compensation Plan and the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan (each individually, the "Plan", and collectively the "Plans").

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 relevant 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 Plans 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 Plans.

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, 2004;
- (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, 2004;
- (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 Laurence E. Cranch, Executive Vice President and General Counsel of Alliance Capital Management Corporation, the general partner of the Registrant (the “General Partner”).

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 Amended and Restated Agreement of Limited Partnership dated as of October 29, 1999, 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.

Item 7. Exemption from Registration Claimed.

Not Applicable.

Item 8. Exhibits.

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

Exhibit No.	
5.1	Opinion of Laurence E. Cranch, Esq.
15.1	Letter re: Unaudited Interim Financial Information from KPMG LLP, Independent Registered Public Accounting Firm
23.1	Consent of Laurence E. Cranch, Esq. (included in Exhibit 5.1)
23.2	Consent of KPMG LLP, Independent Registered Public Accounting Firm
24.1	Powers-of-Attorney

99.1	Alliance Commission Substitution Plan
99.2	Amended and Restated Alliance Partners Compensation Plan
99.3	Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan

Item 9. 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 this 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.

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(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.

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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 5th DAY OF AUGUST, 2005.

ALLIANCE CAPITAL MANAGEMENT HOLDING L.P.

By: Alliance Capital Management Corporation,
General Partner

By: /s/ Robert H. Joseph, Jr.

Name: Robert H. Joseph, Jr.
Title: Senior Vice President and
Chief Financial Officer

PURSUANT TO THE REQUIREMENTS OF THE SECURITIES ACT OF 1933, THIS REGISTRATION STATEMENT HAS BEEN SIGNED ON THE 5th DAY OF AUGUST, 2005 BY THE FOLLOWING PERSONS IN THEIR CAPACITIES AS DIRECTORS AND OFFICERS OF ALLIANCE CAPITAL MANAGEMENT CORPORATION, THE GENERAL PARTNER OF THE REGISTRANT.

Signature
/s/ Lewis A. Sanders

Title
Chairman of the Board and

Date
August 5, 2005

_____	Chief Executive Officer (Principal Executive Officer)	_____
Lewis A. Sanders		
_____	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	_____
/s/ Robert H. Joseph, Jr. Robert H. Joseph, Jr.		August 5, 2005
_____	Senior Vice President and Controller (Principal Accounting Officer)	_____
/s/ Edward J. Farrell Edward J. Farrell		August 5, 2005
_____	Director	_____
Dominique Carrel-Billiard		
_____	Director	_____
Henri de Castries		
_____	Director	_____
* Christopher M. Condrón		August 5, 2005
_____	Director	_____
Denis Duverne		
_____	Vice Chairman of the Board	_____
* Roger Hertog		August 5, 2005

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____	Director	_____
* Weston M. Hicks		August 5, 2005
_____	Director	_____
* W. Edwin Jarman		August 5, 2005
_____	Director, President and Chief Operating Officer	_____
* Gerald M. Lieberman		August 5, 2005
_____	Director	_____
Nicolas Moreau		
_____	Director	_____
* A.W. (Pete) Smith, Jr.		August 5, 2005
_____	Director	_____
Lorie A. Slutsky		
_____	Director	_____
* Peter J. Tobin		August 5, 2005
_____	Director	_____
* Stanley B. Tulin		August 5, 2005

*By: _____	/s/ Laurence E. Cranch Laurence E. Cranch, Esq., Attorney-in-fact	_____
		August 5, 2005

INDEX TO EXHIBITS

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August 5, 2005

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

Re: Alliance Commission Substitution Plan
Amended and Restated Alliance Partners Compensation Plan
Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan

Dear Sirs:

I am Executive 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 Alliance Commission Substitution Plan, the Amended and Restated Alliance Partners Compensation Plan and/or the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan (collectively, the "Plans").

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 Plans, when delivered in accordance with the Plans 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/ Laurence E. Cranch

Laurence E. Cranch

Executive Vice President and General Counsel

August 4, 2005

Alliance Capital Management Holding L.P.
New York, New York

Re: Registration Statement on Form S-8, pertaining to the Alliance Commission Substitution Plan, Amended and Restated Alliance Partners Compensation Plan, and the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan.

With respect to the subject registration statement, we acknowledge our awareness of the use therein of our reports dated May 5, 2005, and August 4, 2005 related to our review of the interim financial information included in Form 10-Q for the quarters ended March 31, 2005, and June 30, 2005, respectively.

Pursuant to Rule 436 under the Securities Act of 1933 (the Act), such reports are not considered part of a registration statement prepared or certified by an independent registered public accounting firm, or a report prepared or certified by an independent registered public accounting firm within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP
New York, New York

Consent of Independent Registered Public Accounting Firm

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

We consent to the incorporation by reference in the registration statement on Form S-8, pertaining to the Alliance Commission Substitution Plan, the Amended and Restated Alliance Partners Compensation Plan, and the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan, of Alliance Capital Management Holding L.P. (the “Registrant”) of our reports dated March 15, 2005, with respect to the statements of financial condition of the Registrant as of December 31, 2004 and 2003, and the related 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, 2004, management’s assessment of the effectiveness of internal control over financial reporting as of December 31, 2004 and the effectiveness of internal control over financial reporting as of December 31, 2004, which reports appear in the December 31, 2004 annual report on Form 10-K of the Registrant.

/s/ KPMG LLP
New York, New York
August 4, 2005

POWER OF ATTORNEY

Know all men by these presents, that each person whose signature appears below, constitutes and appoints Laurence E. Cranch and Adam R. Spilka, and each of them, his or her true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, to do any and all acts and things and execute, in the name of the undersigned, any and all instruments that said attorneys-in-fact and agents may deem necessary or advisable in order to enable Alliance Capital Management L.P. and Alliance Capital Management Holding L.P. to comply with the U.S. Securities Act of 1933, as amended (the “Securities Act”), and any requirements of the U.S. Securities and Exchange Commission (the “SEC”) in respect thereof, in connection with the filing with the SEC of a registration statement on Form S-8, together with any exhibits and other documents required to be included therewith, in order to effect the registration under the Securities Act of units representing assignments of beneficial ownership of limited partnership interests in Alliance Capital Management Holding L.P. to be issued pursuant to the Alliance Commission Substitution Plan, the Amended and Restated Alliance Partners Compensation Plan, and/or the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan, including, specifically but without limitation, power and authority to sign the name of the undersigned to such registration statement, and any amendments or supplements 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 SEC, 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.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____ Dominique Carrel-Billiard	Director	_____
_____ Henri de Castries	Director	_____
_____ /s/ Christopher M. Condrón Christopher M. Condrón	Director	_____ July 28, 2005
_____ Denis Duverne	Director	_____
_____ /s/ Roger Hertog Roger Hertog	Vice Chairman of the Board	_____ July 28, 2005
_____ /s/ Weston M. Hicks Weston M. Hicks	Director	_____ July 28, 2005
_____ /s/ W. Edwin Jarmain W. Edwin Jarmain	Director	_____ July 28, 2005

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<u>Signature</u>	<u>Title</u>	<u>Date</u>
_____ /s/ Gerald M. Lieberman Gerald M. Lieberman	Director, President and Chief Operating Officer	_____ July 28, 2005
_____ Nicolas Moreau	Director	_____
_____ /s/ A.W. (Pete) Smith, Jr. A.W. (Pete) Smith, Jr.	Director	_____ July 28, 2005
_____ Lorie A. Slutsky	Director	_____
_____ /s/ Peter J. Tobin Peter J. Tobin	Director	_____ July 28, 2005

ALLIANCE COMMISSION SUBSTITUTION PLAN

Alliance Capital Management L.P. (together with any successor to all or substantially all of its business and assets, “Alliance”) has established this Alliance Commission Substitution Plan to create a compensation program to attract and retain eligible employees expected to make a significant contribution to the future growth and success of Alliance.

ARTICLE 1 DEFINITIONS; ELIGIBILITY

Section 1.01. *Definitions.* Whenever used in the Plan, each of the following terms shall have the meaning for that term set forth below:

- (a) “**Account**” means a separate bookkeeping account established for each Participant for each Award, with such Award, as described in Article 2, credited to the Account maintained for such Award together with Earnings 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 Committee.
 - (c) “**Alliance Units**” means units representing assignments of beneficial ownership of limited partnership interests in Alliance.
 - (d) “**Approved Fund**” means any money-market, debt or equity fund sponsored by Alliance or its Affiliate and designated by the Committee from time to time as an Approved Fund.
 - (e) “**Award**” means any award which the Committee shall grant under Section 2.01 of this Plan.
 - (f) “**Beneficiary**” means one or more Persons, trusts, estates or other entities, designated in accordance with Section 3.03(a), that are entitled to receive, in the event of a Participant’s death, any amount or property to which the Participant would otherwise have been entitled under the Plan.
 - (g) “**Beneficiary Designation Form**” means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.
 - (h) “**Board**” means the Board of Directors of the general partner of Holding and Alliance.
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- (i) “**Cause**” means: (i) an act or acts constituting a felony under the laws of the United States or any state thereof; (ii) willful dishonesty in the performance of a Participant’s duties; (iii) acts or omissions by a Participant in the performance of his or her duties which are substantially injurious to the financial condition or business reputation of any of the Companies; (iv) a Participant’s continued failure substantially to perform his or her duties; or (v) willful insubordination or failure to follow a lawful directive.
 - (j) “**Code**” shall mean the Internal Revenue Code of 1986, as amended.
 - (k) “**Committee**” shall mean the administrative committee designated by the Company’s management from time to time to administer the plan.
 - (l) “**Company**” shall mean Alliance and any corporation or other entity of which Alliance or Alliance Capital Management Holding L.P. (“Holding”) (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 (ii) otherwise has the power to direct or cause the direction of its management and policies.
 - (m) “**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, with or without reasonable accommodation, 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.
 - (n) “**Earnings**” on any Account during any period shall mean the amounts of gain or loss that would have been incurred with respect to such period if an amount equal to the balance of such Account at the beginning of such period had been actually invested in accordance with a Participant’s Investment Direction.
 - (o) “**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.
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- (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) “**Holding Units**” means units representing assignments of beneficial ownership of limited partnership interests in Holding.

(r) **“Investment Direction”** means a hypothetical investment alternative that may be selected by a Participant in accordance with the procedures established from time to time by the Committee and from among the various alternatives designated from time to time by the Committee.

(s) **“Investment Election Form”** means a form completed, signed and submitted by a Participant, pursuant to Section 2.02(a), designating the percentage of such Award to be treated as invested or notionally invested in Restricted Units or Approved Funds.

(t) **“Participant”** means an employee of a Company whose principal duties are to sell or market the products or services of a Company, whose compensation is entirely or mostly commission-based, and who has been designated by the Committee as a Participant of the Plan.

(u) **“Plan”** means the Alliance Commission Substitution 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) **“Reference Rate”** for any year means the average of the rates of interest on 6-month certificates of deposit 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 each of the immediately prior twelve calendar months.

(x) **“Restricted Unit”** shall mean any Holding Unit in which an Account hereunder is deemed invested.

(y) **“Retirement”** with respect to a Participant shall mean that the employment of the Participant with the Company has terminated on or after the Participant’s attaining age 65.

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(z) **“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.

ARTICLE 2 AWARDS

Section 2.01. *Awards.* The Committee shall have the authority to provide from time to time for the grant of Awards to Participants. The total nominal amount of each Award will be credited to an Account established for such Award for the relevant Participant, as of the end of the calendar year for which the decision to grant such Award is made (the **“Effective Date”** for such Award”), for purposes of determining the amounts to be paid pursuant to Section 2.04 hereof.

Section 2.02. *Earnings on an Account.*

(a) Each Participant shall submit, in accordance with deadlines and procedures established from time to time by the Committee, an Investment Election Form with respect to each Award. Such Investment Election Form shall designate that percentage of such Participant’s Award which shall be treated for purposes of the Plan as invested or notionally invested, respectively, in (i) Holding Units and (ii) each of the Approved Funds. The Committee in its sole discretion may permit each Participant to reallocate investments in each Account among Holding Units and the various Approved Funds, subject to, without limitation, restrictions as to the frequency with which such reallocations may be made. As soon as reasonably practicable after the end of each 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, and the amounts in such Account allocated to Restricted Units and notionally allocated to each of the Approved Funds.

(b) Each Award for which an Investment Election Form has been validly submitted shall be credited to a separate Account as of the Effective Date of the Award. The amount of such Account shall be treated as invested in Restricted Units or notionally invested in the Approved Funds, as applicable, as of a date as determined by the Committee (the **“Earnings Date”**) which shall be no later than sixty days after the Effective Date, in the proportions set forth in such Investment Election Form. Earnings from the Effective Date to the Earnings Date will be credited at the rate that would have been returned during the same period by an investment in a money-market fund sponsored by Alliance and approved by the Committee.

(c) Not less frequently than as of the end of each calendar year following the year during which an Account is established in connection with an Award, each Account maintained under the Plan will be credited or debited, as

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applicable, with the amount, if any, necessary to reflect Earnings as of that date. As soon as practicable after the end of each calendar year, a statement shall be provided to each such Participant indicating the balance in each Account maintained for the Participant as of the end of the calendar year.

(d) To the extent any Approved Fund is terminated, liquidated, merged with another fund or experiences a major change in investment strategy or other extraordinary event, the Committee may, if so authorized by the Board, in such manner as it may in its sole discretion deem equitable, reallocate or otherwise adjust the amount of any Account under this Article 2 to reflect the occurrence of such event.

Section 2.03. *Awards Invested in Restricted Units.*

(a) To the extent an Investment Election Form validly directs the investment of all or a portion of any Award in Restricted Units, that portion of such Award shall, as of a date and based on a Fair Market Value of a Holding Unit as determined by the Committee, be converted into a whole number of Restricted Units. From and after the date of such conversion, that portion of an Award for which an Investment Election has been validly made to invest in Restricted Units shall be denominated, and shall thereafter be treated for all purposes as, a grant of that number of Restricted Units determined pursuant to the preceding sentence.

(b) Transfer restrictions shall remain in effect with respect to Restricted Units until the date such Restricted Units are to be paid out pursuant to Section 2.04, 2.05 or 2.06 hereof. While such restrictions are in effect, Restricted Units may not be sold, assigned, transferred, pledged or otherwise encumbered, except as provided in the Plan or the applicable Award. 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. Subject to Section 3.03(a), 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 Holding 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 certificates representing such Holding Units to be held on the Participant's behalf by a custodian or recordkeeper designated by the Committee under the Plan.

(c) Subject to Section 3.03(a), distributions paid on or in respect of any Restricted Units (whether vested or unvested) shall be paid directly to the relevant Participant at the time such distributions are made. Each holder of a Restricted Unit (whether vested or unvested) shall have the right to exercise, or direct the exercise, of any voting rights pertaining to such Restricted Unit.

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(d) A Participant will not make an election under section 83(b) of the Code with respect to 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 3.03(i).

(e) 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 events 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.

Section 2.04. *Payments With Respect to Awards.* With respect to any Award credited to an Account maintained for a Participant in connection with such Award, the Participant will become entitled to receive, on each of the first three anniversaries of the date on which the Award is credited to the Account, an amount equal to one-third of the relevant Award, plus an aliquot portion of the Earnings thereon, which amount shall promptly be distributed to the Participant in a lump sum in cash, except as provided below. Such amount shall be treated as drawn proportionately from the investment alternatives in effect as of the relevant anniversary date. Any such payment shall be made in kind to the extent such payment is attributable to Restricted Units. Notwithstanding any provision of this Article 2 to the contrary, a Participant or Participant's Beneficiary will become entitled to receive, upon the Participant's death, Disability or Retirement, the balance of any Account maintained for the Participant even if the Participant, prior to his or her death, Disability or Retirement, had not become entitled to receive such balance in accordance with the preceding sentence. Such balance will be paid in accordance with the applicable provisions of Section 2.06 hereof.

Section 2.05. *Termination of Employment.* If a Participant ceases to be employed by any of the Companies as a result of termination for Cause or the Participant's voluntary Termination of Employment, the Participant shall lose the opportunity to receive the balance of any Account maintained for him or her which has not been earned in accordance with Section 2.04 hereof on the effective

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date of the Participant's Termination of Employment; *provided, however*, that, the Committee may determine, in its sole discretion, and only if a Participant executes a release of liability in favor of Alliance, that the Participant will receive any amounts that he or she was not entitled to receive on the effective date of the Participant's Termination of Employment. If the Committee makes such determination, such amounts will be paid in accordance with the applicable provisions of Section 2.06 hereof.

Section 2.06. *Distributions of Account Balances.*

(a) In the event a Participant's employment with the Companies terminates by reason of the Participant's death, the total balances of the Accounts maintained for the Participant under this Article 2, plus Earnings thereon, will be distributed to the Participant's Beneficiary in a single 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 total balances of the Accounts maintained for the Participant under this Article 2, plus Earnings thereon, will be distributed to the Participant or to the Participant's Beneficiary, as the case may be, 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 the total balances of the Accounts maintained for a Participant under this Article 2, plus Earnings thereon, 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 comprise the total balances of the Accounts maintained for the Participant under this Article 2 reduced by the single-sum payment, plus Earnings thereon, 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 total balances of the Accounts maintained for the Participant earned in accordance with Section 2.04 hereof, plus Earnings thereon, will be distributed to the Participant or the Participant's Beneficiary, as the case may be, 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) Each installment payment to be made pursuant to Subsection (b) or (c) of this Section shall be calculated by considering the portion of the total balances of the Accounts maintained for a Participant under this Article 2 payable in installments as an indebtedness that accrues interest at the Reference Rate as of the date the total balances of the Accounts under this Article 2 are determined and that will be amortized by equal payments on January 1 of the five calendar years in which the installment payments are to be made sufficient to fully discharge the deemed indebtedness by the final installment payment. Any payment under this Section shall be made in kind to the extent such payment is attributable to Restricted Units.

ARTICLE 3 ADMINISTRATION; MISCELLANEOUS

Section 3.01. *Administration of the Plan.* The Plan is intended to be an unfunded, non-qualified incentive 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 notional investment returns and Earnings, shall be conclusive and binding on all Persons having an interest in the Plan.

Section 3.02. *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 Award or any balance in any Account, prior to such amendment, suspension or termination.

Section 3.03. *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 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 establishment of the Plan shall not be held or construed to create any rights to any compensation, including salary, bonus or commissions, or the right to any Awards or the levels thereof under the Plan.

(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 amount credited 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.

**AMENDED AND RESTATED
ALLIANCE PARTNERS COMPENSATION PLAN**
(as amended through January 1, 2003)

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 Post-2000 Awards and Pre-1999 Awards, a separate bookkeeping account established for each Participant for each such Award, with the applicable amount of the Award as described in Articles II and IV, respectively, credited to the Account together with notional investment earnings, gains and losses (in the case of a Post-2000 Award), and with Earnings (in the case of a Pre-1999 Award) 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) “**Approved Fund**” means any money-market, debt or equity fund sponsored by Alliance or its Affiliate and designated by the Committee from time to time as an Approved Fund.

(e) “**Award**” means any Pre-1999 Award, 1999-2000 Award or Post-2000 Award.

(f) “**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.

(g) “**Beneficiary**” means one or more persons, trusts, estates or other entities, designated in accordance with Section 22(a), that are entitled to receive, in the event of a Participant’s death, any amount or property to which the Participant would otherwise have been entitled under the Plan.

(h) “**Beneficiary Designation Form**” means the form established from time to time by the Committee that a Participant completes, signs and returns to the Committee to designate one or more Beneficiaries.

(i) “**Board**” means the Board of Directors of the general partner of Holding and Alliance.

(j) “**Code**” shall mean the Internal Revenue Code of 1986, as amended.

(k) “**Committee**” shall mean the Board or one or more committees of the Board designated by the Board to administer the Plan.

(l) “**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 (ii) otherwise has the power to direct or cause the direction of its management and policies.

(m) “**Deferral Election**” means a Participant’s election to defer the distribution of Holding Units or Accounts under an Award in accordance with the Plan, as evidenced by the Participant’s completion, signing and submission of the deferral agreement and election forms supplied by Alliance and the acceptance of those documents by Alliance.

(n) “**Director**” shall mean any member of the Board.

(o) “**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.

(p) “**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

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 pretax 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.

(q) “**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 2(a), 9(a) or 13 hereof.

(r) “**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 and Post-2000 Awards, Eligible Employees for any calendar year shall be limited to those employees who are “highly-compensated employees” within the meaning of ERISA sections 201(2), 301(a)(3) and 401(a)(1), as determined by the Committee.

(s) “**ERISA**” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

(t) “**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.

(u) “**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

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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.

(v) “**Investment Election Form**” means a form completed, signed and submitted by a Participant with respect to a Post-2000 Award, pursuant to Section 3(b), designating the percentage of such Award to be treated as invested or notionally invested in Restricted Units or Approved Funds.

(w) “**Holding Units**” means units representing assignments of beneficial ownership of limited partnership interests in Holding.

(x) “**1999-2000 Award**” means any Award subject to the provisions of Article III hereof.

(y) “**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.

(z) “**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 7, 11 or 16 and not subsequently re-granted under the Plan; provided, that with respect to Restricted Units forfeited pursuant to Sections 7 or 11, the amount that shall be added to the Partner’s Pool pursuant to this Section 1(z) 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.

(aa) “**Plan**” means the Alliance Partners Compensation Plan, as set forth herein and as amended from time to time.

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

(cc) “**Post-2000 Award**” means any Award subject to the provisions of Article II hereof.

(dd) “**Pre-1999 Award**” means any Award subject to the provisions of Article IV hereof.

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(ee) “**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.

(ff) “**Restricted Unit**” shall mean any Holding Unit granted under Sections 4(a) or 9(b) of the Plan and designated as a Restricted Unit.

(gg) “**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.

(hh) “**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.

(ii) “**Unforeseeable Financial Emergency**” means an unanticipated emergency that is caused by an event beyond the control of the Participant that would result in severe financial hardship to the Participant resulting from (i) a sudden and unexpected illness or accident of the Participant or a dependent of the Participant, (ii) a loss of the Participant’s property due to casualty, or (iii) such other extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant, all as determined in the sole discretion of the Committee.

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-2000 AWARDS

3. **Grant of Awards.**

(a) Not later than thirty days after the end of each calendar year commencing with 2001, 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-2000 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.

(b) Each Participant shall submit, in accordance with deadlines and procedures established from time to time by the Committee, an Investment Election Form with respect to each Post-2000 Award. Such Investment Election Form shall designate that percentage of such Participant’s Post-2000 Award which shall be treated for purposes of the Plan as invested or notionally invested in (i) Holding Units or (ii) each of the Approved Funds; provided, that the Committee may determine for each calendar year a minimum percentage of each Post-2000 Award that must be treated as invested in Holding Units.

(c) Notwithstanding the foregoing, the Committee shall have the authority, in its sole discretion, to treat any Award for a calendar year commencing with 2001 as a Pre-1999 Award or 1999-2000 Award. In such case, (i) the provisions of this Article II (other than Sections 3(a) and 3(c)) shall not apply to such Award; and (ii) such Award shall otherwise be treated as subject in all respects to the provisions of Article III or Article IV of the Plan, as applicable; provided, that, notwithstanding Sections 10 and 15 of the Plan, the amount of such Restricted Units or Account (including Earnings thereon) will vest in accordance with Section 6.

4. **Post-2000 Awards Invested in Restricted Units.**

(a) As soon as reasonably practicable after the grant of Post-2000 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: (i) to the extent the Holding Units to be awarded with respect to such Post-2000 Awards have either been acquired by Alliance or its affiliate prior to the grant of such awards, or are newly issued by Holdings, the Fair Market Value of a Holding Unit as of the Effective Date; and (ii) otherwise, the effective per-Unit cost of acquiring or issuing the remaining Holding Units to be awarded with respect to such Post-2000 Awards pursuant to the Investment Elections of all recipients of such Awards for such year. Upon determination of the Grant Value for each relevant year, that portion of each Post-2000 Award for such year for which an Investment Election has been validly made to invest in Restricted Units 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 portion of such Award, divided by the Grant Value for such Award, rounded down to the nearest integer.

(b) A Participant to whom a Post-2000 Award is made shall, reasonably promptly after either the vesting of Restricted Units subject to a Post-2000 Award or the determination of the Grant Value for the relevant year as described in Section 4(a) 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.

(c) 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. Subject to Sections 8 and 22, 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 Holding 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 certificates representing such Holding Units to be held on the Participant’s behalf by the recordkeeper designated by the Committee under the Plan.

(d) Subject to Sections 8(b) and 22, distributions paid on or in respect of any Restricted Units (whether vested, unvested or deferred pursuant to Section 8) shall be paid directly to the relevant Participant at the time such distributions are made. Each holder of a Restricted Unit (whether vested, unvested or deferred pursuant to Section 8) shall have the right to exercise, or direct the exercise, of any voting rights pertaining to such Restricted Unit.

(e) 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 22(i).

(f) 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.

5. Post-2000 Awards Invested in Approved Funds.

(a) That portion of each Post-2000 Award for which an Investment Election Form has been validly submitted to invest in Approved Funds shall be credited to a separate Account as of the Effective Date of the Award. The amount of such Account shall be treated as notionally invested in the Approved Funds as of a date as determined by the Committee (the “**Earnings Date**”) which shall be no later than thirty days after the Effective Date, in the proportions set forth in such Investment Election Form. Earnings from the Effective Date to the Earnings Date will be credited at the rate that would have been returned during the same period by an investment in a money-market fund sponsored by Alliance and approved by the Committee.

(b) After the Effective Date as of which an Account is established, each such Account will be credited or debited, as applicable, with notional investment earnings, gains and losses, as though the amounts in such Account had been actually invested in the Approved Funds in the proportions reflected in the Account. The Committee in its sole discretion may permit each Participant to reallocate notional investments in each Account among the various Approved Funds, subject to, without limitation, restrictions as to the frequency with which such reallocations may be made. As soon as reasonably practicable after the end of each 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, and the amounts in such Account notionally allocated to each of the Approved Funds.

(c) Unless a Participant otherwise elects in accordance with Section 8, at the time any portion of a Participant’s Account vests hereunder, the portion so vested shall immediately be distributed to the Participant in a lump sum in cash. Such amount shall be treated as drawn proportionately from all of the Approved Funds in which the relevant Account is deemed invested.

(d) To the extent any Approved Fund is terminated, liquidated, merged with another fund or experiences a major change in investment strategy or other extraordinary event, the Committee may, if so authorized by the Board, in such manner as it may deem equitable, reallocate or otherwise adjust the amount of any Account under this Article II to reflect the occurrence of such event.

6. Vesting of Post-2000 Awards.

(a) Except as provided in Section 6(b) below, Post-2000 Awards shall vest in equal annual installments during the Vesting Period (as determined below) with respect

to such Award, with the first such installment vesting on the first anniversary of the date determined for this purpose by the Committee in connection with such Award (the “**Grant Date**”), and the remaining installments vesting on subsequent anniversaries of the Grant Date, provided in each case that the Participant is employed by a Company on such anniversary. (For purposes of this Plan, the “**vesting**” of a Restricted Unit shall mean the lapsing of the restrictions set forth in Section 4(c) with respect to such Restricted Unit, subject to any election to defer receipt of such Restricted Unit in accordance with Section 8.) The “**Vesting Period**” with respect to each Post-2000 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 61	4 years
62	3 years
63	2 years
64	1 year
65 or older	Fully vested at grant

(b) In the event of a Participant’s Termination of Employment due to death or Disability, the unvested portion of any Post-2000 Award held by such Participant shall immediately vest.

7. Forfeitures of Post-2000 Awards. In the event of a Participant’s Termination of Employment for reasons other than death or Disability, all rights and interests of the Participant in the then-unvested portion of any Post-2000 Award 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 otherwise unvested portion of the Participant’s Award. Any amounts forfeited pursuant to this Section 7 shall increase the amount of the Partners Pool as provided for in Section 1(z)(ii).

8. Deferral of Distribution of Post-2000 Awards.

(a) A Participant may elect to defer receipt of Holding Units, or distribution of Accounts, deliverable to the Participant under a Post-2000 Award in connection with the vesting of such Post-2000 Award. A Participant shall make such election with respect to an Award by submitting to Alliance a Deferral Election relating to such Award. Such a Deferral Election must be submitted to Alliance immediately following Participant's receipt of such Award and will apply with respect to the entire Award.

(b) Any Holding Units with respect to which a Participant has made a Deferral Election shall be posted to a bookkeeping account established by Alliance in the Participant's name. Quarterly or special distribution paid with respect to Holding Units covered by a Participant's Deferral Election will not be paid to the Participant on a

current basis but will instead be credited to the Alliance bookkeeping account for the Participant and converted into additional Holding Units at such intervals as may be established by the Committee, but in any event no less frequently than annually. The price per Holding Unit used for such conversion shall be determined in accordance with the approach set forth in Section 4(a) for establishing the Grant Value per Holding Unit. As of the date that any such amounts are converted into Holding Units, the Alliance bookkeeping account for the Participant shall be amended to reflect such conversion to Holding Units. Thereafter any quarterly or special distribution paid with respect to such Holding Units will also be credited to the Alliance bookkeeping account for the Participant and converted into additional Holding Units in the manner described above. In no event shall any distributions be paid, or any Holdings Units converted pursuant to this subsection be distributed, to the Participant before the date elected by Participant in accordance with subsection (d) of this Section 8 or otherwise in accordance with subsections (f) and (g) of this Section 8, if applicable.

(c) A Participant will be entitled to receive distribution of the entire amount of the Holding Units credited to the Participant as a result of the conversion of distributions paid on the Holding Units originally awarded to the Participant and deferred hereunder and the conversion of distributions paid on the Holding Units derived from such distributions. However, the Participant will only be entitled to receive distribution of the Holding Units originally awarded to the Participant and deferred pursuant to a Deferral Election if and to the extent the restrictions imposed on those Holding Units lapse in accordance with the Plan and the applicable Award Agreement.

(d) At the time a Participant submits a Deferral Election, the Participant shall indicate in such Deferral Election the time and method of distribution for the Holding Units or Accounts covered by the Deferral Election. The Deferral Election shall allow a Participant to elect to receive such Holding Units or Accounts commencing as of:

- (i) a stated date not earlier than the date on which the entire applicable Award has become fully vested; or
- (ii) if earlier, the date of the Participant's Termination of Employment.

The distribution election set forth in a Participant's Deferral Election shall be irrevocable as to the Holding Units or Accounts covered by such election; provided, however, that at the sole discretion of the Committee a Participant may be permitted to amend a distribution election to extend the deferral of such Holding Units or Accounts if such amendment is made at least one year prior to the scheduled distribution commencement date for such Holding Units or Accounts and the amendment defers commencement of such distribution for at least three years beyond the scheduled distribution commencement date. If, with respect to Holding Units or Accounts covered by a Deferral Election of a Participant, the Participant has failed to elect a distribution commencement date or there exists any ambiguity as to the distribution commencement date elected by the Participant, the Committee may commence distribution of such Holding Units or Accounts upon the vesting of such Holding Units or Accounts, unless determined

otherwise by the Committee, in its sole discretion.

- (e) The Deferral Election shall allow a Participant to elect to receive the Holding Units or Accounts deferred in:
- (i) a single lump sum distribution; or
 - (ii) substantially equal annual installments over a period of up to 10 years, as elected by the Participant.

If, with respect to Holding Units or Accounts covered by a Deferral Election of a Participant, the Participant has failed to elect a method of payment or there exists any ambiguity as to the method of payment elected by the Participant, the method of payment for such Holding Units or Accounts shall be lump sum, unless determined otherwise by the Committee, in its sole discretion.

(f) Notwithstanding the foregoing, if a Participant experiences an Unforeseeable Financial Emergency, the Participant may petition the Committee to (i) suspend any deferrals required under a Deferral Election submitted by the Participant and/or (ii) receive a partial or full distribution of the Holding Units or Accounts deferred by the Participant with respect to which vesting has occurred. The Committee shall determine, in its sole discretion, the number of Holding Units and amount of the Accounts which may be distributed; provided, however, that the distribution shall not exceed the lesser of the Participant's Holding Units and Accounts which have vested, or the amount reasonably needed to satisfy the Unforeseeable Financial Emergency.

(g) Notwithstanding the foregoing, a Participant (or, after the Participant's death, his or her Beneficiary) may elect, at any time, to withdraw all (but not less than all) of his or her Holding Units or Accounts with respect to which vesting has occurred, less a withdrawal penalty equal to 10% of the amount or balance of such Holding Units or Accounts. This election can be made at any time before or after the Participant's Disability, death or Termination of Employment, and whether or not the Participant (or Beneficiary) is in the process of receiving distributions of Holding Units or Accounts pursuant to a distribution installment schedule. The Participant (or his or her Beneficiary) shall make this election by giving the Committee advance written notice of the election in a form determined from time to time by the Committee. Once such a withdrawal is made, the Participant shall not be eligible to submit any further Deferral Elections under the Plan.

9. Grant of Awards.

(a) Not later than thirty days after the end of each of calendar years 1999 and 2000, the Committee may make Awards, effective as of the Effective Date of such

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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 1999-2000 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.

(b) As soon as reasonably practicable after the grant of 1999-2000 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: (i) to the extent the Holding Units to be awarded with respect to such 1999-2000 Awards have either been acquired by Alliance or its affiliate prior to the grant of such awards, or are newly issued by Holdings, the Fair Market Value of a Holding Unit as of such determination; and (ii) otherwise, the effective per-Unit cost of acquiring or issuing the remaining Holding Units to be awarded with respect to such 1999-2000 Awards. Upon determination of the Grant Value for each relevant year, each 1999-2000 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 1999-2000 Award is made shall, reasonably promptly after either the vesting of Restricted Units subject to a 1999-2000 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) Restricted Units granted pursuant to 1999-2000 Awards shall be subject to the provisions of Sections 4(c)-4(f) of the Plan.

10. Vesting of Restricted Units Pursuant to 1999-2000 Awards.

(a) Except as provided in Section 10(b) below, restrictions 1999-2000 shall lapse with respect to the Restricted Units subject to each 1999-2000 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 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 1999-2000 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:

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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	1 year
62 or older	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.

(c) The lapsing of any restrictions on Restricted Units in accordance with this Section 10 shall be subject to any deferral effected pursuant to Section 12.

11. 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 pursuant to a 1999-2000 Award 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(z)(ii).

12. Deferral of Distribution of 1999-2000 Awards. The Committee may, in its sole discretion, permit the elective deferral of receipt of Holding Units deliverable to a Participant under a 1999-2000 Award in connection with the vesting of such 1999-2000 Award. Any such deferral will be subject to substantially the same rules and procedures as set forth in Section 8 above with respect to the deferral of Post-2000 Awards. Any election to defer receipt of any portion of a 1999-2000 Award which is scheduled to vest in any calendar year must be made before January 31 of the prior calendar year.

ARTICLE IV PRE-1999 AWARDS

13. 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.

14. 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.

15. 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 $33\frac{1}{3}$ 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 $12\frac{1}{2}$ 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 IV 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.

16. 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 16 or Section 3(c) 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 16 shall increase the amount of the Partners Pool as provided for in Section 1(z)(ii).

17. 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 under this Article IV, 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 under this Article IV, 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 under this Article IV, 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 under this Article IV 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 under this Article IV, 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 under this Article IV 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 under this Article IV payable in installments as an indebtedness that accrues interest at the Reference Rate as of the date the Final Account Balance under this Article IV 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.

(e) Distribution of any Accounts in accordance with this Section 17 shall be subject to any deferral effected pursuant to Section 18.

18. Deferral of Distribution of Pre-1999 Awards. The Committee may, in its sole discretion, permit the elective deferral of distributions from an Account to a Participant under a Pre-1999 Award. Any such deferral will be subject to substantially the same rules and procedures as set forth in Section 8 above with respect to the deferral of Post-2000 Awards. Any election to defer receipt of any portion of a 1999 Award which is scheduled to vest in any calendar year must be made before January 31 of the prior calendar year.

19. Administration of the Plan. The Plan is intended to be 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, notional investment returns, and Earnings, shall be conclusive and binding on all persons having an interest in the Plan.

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

21. 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 Award held in the form of a Restricted Unit or, with respect to any Pre-1999 Award or Post-2000 Award, any balance in any Account, prior to such amendment, suspension or termination.

22. 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 distributions from Accounts, or of Holding Units as to which a Deferral Election has been made, under the

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Plan shall be an unsecured claim against the general assets of Alliance. All such distributions 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

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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 Holding 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 Holding 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

Holding 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.

ALLIANCE CAPITAL MANAGEMENT L.P.
FINANCIAL ADVISOR WEALTH ACCUMULATION PLAN

(Effective August 1, 2005)

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ALLIANCE CAPITAL MANAGEMENT L.P.
FINANCIAL ADVISOR WEALTH ACCUMULATION PLAN

(Effective August 1, 2005)

Section 1. PURPOSE.

Alliance Capital Management Holding L.P. (together with any successor to all or substantially all of its business and assets, “**Holding**”) and its affiliate, Alliance Capital Management L.P. (together with any successor to all or substantially all of its business and assets, “**Alliance**” or “**Company**”) have established this Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan to create a compensation program to attract and retain eligible employees expected to make a significant contribution to the future growth and success of Bernstein Investment Research and Management, a unit of Alliance Capital. The Plan is established effective August 1, 2005. The Plan is intended to conform to the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder.

Section 2. DEFINITIONS.

Unless the context requires otherwise, the following words, as used in the Plan, shall have the meanings ascribed to each below:

- 2.1 **“Account”** shall mean the book entry-account which shall be credited with a Participant’s Incentive Award pursuant to Section 3 herein and Earnings thereon.
- 2.2 **“Affiliate”** shall mean any entity affiliated with the Company within the meaning of Code Section 414(b) with respect to a controlled group of corporations, Code Section 414(c) with respect to trades or businesses under common control with the Company, Code Section 414(m) with respect to affiliated service groups and any other entity required to be aggregated with the Company under Section 414(o) of the Code. No entity shall be treated as an Affiliate for any period during which it is not part of the controlled group, under common control or otherwise not required to be aggregated with the Company under Code Section 414.
- 2.3 **“Available Fund”** means any money-market, debt or equity fund or pooled investment vehicle sponsored by Alliance or its Affiliate or other fund or security that is designated by the Committee from time to time as an Available Fund.
- 2.4 **“Award Agreement”** shall mean an agreement entered into between a Participant and the Company which specifies the terms of the Participant’s Incentive Compensation, including the amount of such Incentive Award, the Elective Distribution Date and the Elective Distribution Form. An Award Agreement shall contain such provisions, consistent with the provisions of the Plan, as may be established from time to time by the Committee. An Award Agreement may, to the extent permitted by the Committee and by applicable law, be made by paper or electronic means.
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- 2.5 **“Beneficiary”** shall mean the person or trust designated by the Participant to receive benefits payable under this Plan in the event of the Participant’s death. If no Beneficiary is designated, then the Participant’s Beneficiary shall be his estate. Upon the acceptance by the Committee of a new Beneficiary designation, all Beneficiary designations previously filed shall be canceled. A Participant’s designation of a Beneficiary (or any election to revoke or change a prior Beneficiary designation) must be made and filed with the Committee, in writing, on such form(s) and in such manner prescribed by the Committee. The Committee shall be entitled to rely on the last Beneficiary designation filed by the Participant and accepted by the Committee prior to his death.
- 2.6 **“Board”** shall mean the Compensation Committee of the Board of Directors of Alliance Capital Management Corporation or a duly authorized committee thereof.
- 2.7 **“Code”** shall mean the Internal Revenue Code of 1986, as amended and as hereafter amended from time to time, and any regulations promulgated thereunder.
- 2.8 **“Committee”** shall mean the committee or committees of management designated by the Board to administer the Plan or a designee of any such committee or committees.
- 2.9 **“Company”** shall mean Alliance Capital Management L.P. and any successor entity by merger, consolidation or transfer of all or substantially all of its assets.
- 2.10 **“Disabled”** shall mean that a Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than 3 months under an accident and health plan maintained by the Company or its Affiliate covering the Participant.
- 2.11 **“Earnings”** shall mean earnings and/or losses on amounts credited to an Account in accordance with Section 5 hereof.
- 2.12 **“Elective Distribution Date”** shall mean, as elected by the Participant:
- (a) The Participant’s Separation from Service or, with respect to each Participant who is a Key Employee, six (6) months following his Separation from Service, as defined under Section 409A of the Code; or
 - (b) A date elected by the Participant within a period permitted by the Committee.
- 2.13 **“Elective Distribution Form”** means either a lump sum or substantially equal annual installments over a period permitted by the Committee.
- 2.14 **“ERISA”** shall mean the Employee Retirement Income Security Act of 1974, as amended.

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- 2.15 **“Holding Units”** means units representing assignments of beneficial ownership of limited partnership interests in Holding.
- 2.16 **“Incentive Award”** shall mean the amount credited to a Participant’s Account pursuant to Section 4.
- 2.17 **“Incentive Benefit”** shall mean the vested benefit payable under the Plan, which shall be payable in accordance with Section 6 hereof.
- 2.18 **“Key Employee”** shall mean a key employee, as defined under Section 409A of the Code.
- 2.19 **“Participant”** shall mean a financial advisor employed by the Company or its Affiliates who is designated as eligible to participate in this Plan by the Board, or if authorized by the Board, the Chief Executive Officer of the Company, and who enters into an Award Agreement with the Company. Notwithstanding any other provision to the contrary, a financial advisor who is designated as being eligible to participate in the Plan must enter into an Award Agreement within thirty (30) days of such designation. If such financial advisor does not enter into an Award Agreement within thirty (30) days of being

designated as eligible to participate in the Plan, such financial advisor shall not be eligible to become a Participant until the first day of the following Plan Year provided that such Award Agreement is entered into before the first day of such Plan Year and the Participant's eligibility to participate in the Plan has not been rescinded.

2.20 **"Plan"** shall mean the Alliance Capital Management L.P. Financial Advisor Wealth Accumulation Plan, as amended from time to time.

2.21 **"Plan Year"** shall mean the calendar year.

2.22 **"Separation from Service"** shall mean separation from the employment of the Company and its Affiliates for any reason, including, but not limited to, retirement, death, Disability, resignation, dismissal, or the cessation of an entity as an Affiliate. In the event that all or substantially all of the assets of the Company or an Affiliate are sold or transferred, any Participant who in connection with, or as a result of, such sale becomes employed by the acquirer of such assets shall not be deemed to have incurred a Separation from Service unless and until the earlier of (i) the individual is no longer employed by such acquirer or any entity thereafter acquiring the aforesaid assets or (ii) the Committee determines, in its sole discretion, that such individual has incurred a Separation from Service and when such Separation from Service is deemed to have occurred. For purposes of the foregoing sentence, and only for such purposes, a sale or transfer of stock of the Company or Affiliate shall be deemed to be a sale or transfer of "assets."

Notwithstanding the foregoing, a Participant shall not be considered to have had a Separation from Service if, for purposes of Section 409A of the Code, the Participant would not be considered to have had a "separation from service."

Section 3. AWARD.

The Company shall make a book entry contribution to the Account of a Participant in an amount equal to the amount of the Participant's Incentive Award as designated in the Participant's Award Agreement. The Participant's Award Agreement shall evidence the Participant's agreement to the terms of the Plan.

Section 4. VESTING.

A Participant's Account will vest or be forfeited in accordance with the terms and conditions set forth in the Award Agreement.

Section 5. MEASUREMENT OF EARNINGS.

5.1 **Election between Notional Investments.** Each Participant shall designate, in accordance with deadlines and procedures established from time to time by the Committee, in his Award Agreement, that percentage of such Participant's Incentive Award which shall be treated for purposes of the Plan as notionally invested in (i) Holding Units or (ii) each of the Available Funds; provided, that the Committee may establish a minimum percentage of each Incentive Award that must be notionally invested in the Holding Units and a maximum percentage of each Incentive Award that may be notionally invested in Holding Units. No more than fifty percent (50%) of a Participant's Incentive Award may be notionally invested in Holding Units. Following the Participant's election between Holding Units and Available Funds, the Participant shall not be permitted to elect to change the percentage of his or her Incentive Award that may be notionally invested in Holding Units.

The Participant's Account shall be treated as notionally invested in the Available Funds or Holding Units (in accordance with the Participant's election) as of a date as determined by the Committee (the "Earnings Date") which shall be no later than thirty days after the effective date of the Participant's Award Agreement (the "Effective Date"), in the proportions set forth in the Participant's Investment Election Form.

5.2 Notional Investment in Available Funds.

- (a) After the Earnings Date, the portion of a Participant's Account that is invested in Available Funds will be credited or debited, as applicable, with notional investment earnings, gains and losses, as though the amounts in such Account had been actually invested in the Available Funds in the proportions reflected in the Account. The Committee in its sole discretion may permit each Participant to reallocate notional investments in each Account among the various Available Funds, subject to, without limitation, restrictions as to the frequency with which such reallocations may be made. As soon as reasonably practicable after the end of each 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, and the amounts in such Account notionally allocated to each of the Available Funds.

5.3 Special Rules Applicable to Notional Investments in Holding Units.

- (a) **Recapitalization.** 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 held in Participant's Account.
- (b) **Deferral of Holding Units.** Any Holding Units with respect to which a Participant has elected to notionally invest his or her Account shall be posted to the Participant's Account. Whenever quarterly or special distribution are paid with respect to Holding Units, an amount equal to the amount of such distribution per Holding Unit shall be deemed credited to the Participant's Account with respect to each Holding Unit credited to the Participant's Account and converted into additional Holding Units at such intervals as may be established by the Committee in such manner as determined by the Committee, but in any event no less frequently than annually, based on the fair market value of a

Holding Unit on the date of such conversion, as determined by the Committee, in its sole discretion. In no event shall any distributions be paid, or any Holding Units converted pursuant to this subsection be distributed, to the Participant before the date that the Participant's Incentive Benefits are paid pursuant to Section 6 hereof.

Section 6. DISTRIBUTION OF INCENTIVE BENEFIT.

6.1 **Incentive Benefits.** Subject to Sections 6.2, 6.3 and 6.4 below and the remainder of this Section 6.1, a Participant's vested Incentive Benefits shall be paid to the Participant in installments as vesting occurs. Each installment shall consist of the vested portion of the Participant's Incentive Benefits not previously paid and be paid as soon as administratively practicable following each date on which the Participant becomes vested in a portion of his Incentive Benefits in accordance with the Plan and the Participant's Award Agreement; provided that in no event shall the first payment of the Participant's Incentive Benefit be made before the third anniversary of the Effective Date.

6.2 **Initial Election of Elective Distribution Date.** If permitted by the Committee, in its sole discretion, a Participant may elect an Elective Distribution Date upon which to commence receiving his Incentive Benefits and an Elective Distribution Form in which to receive his Incentive Benefits. Any election to defer payment of all or a portion of a Participant's Incentive Award shall be made by the Participant in accordance with Section 409A of the Code and the rules of the Committee as in effect from time to time. If a Participant makes an election pursuant

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to this Section 6.2, the payment of Participant's Incentive Benefits to the Participant shall commence as soon as administratively practicable following the Participant's Elective Distribution Date, if elected and in the Elective Distribution Form, if elected.

6.3 **Changes to Elective Distribution Date and/or Elective Distribution Form.** Subject to any limitations imposed by Section 409A of the Code, if permitted by the Committee, in its sole discretion, a Participant may change his election regarding the Elective Distribution Date on which his Incentive Benefit will commence to be paid and/or his Elective Distribution Form in accordance with the following requirements to the extent imposed by Section 409A of the Code:

- (i) Subject to clauses (ii) and (iii) of this Paragraph, such election may not take effect until the twelve (12) month anniversary of the date the election is made and filed with the Committee (or a designee of the Committee);
- (ii) In connection with an election made by a Participant pursuant to this Section 6.3, the Participant must elect a new Elective Distribution Date that is no earlier than the five year anniversary of the Participant's previous Elective Distribution Date (regardless of whether the Participant's new election was solely to change his Elective Distribution Form); and
- (iii) Any election related to a payment of Incentive Benefits at an Elective Distribution Date described in Section 2.12(b) shall not be effective unless made at least twelve (12) months prior to the Elective Distribution Date that such election is changing (regardless if the new election merely changes the Elective Distribution Form).

6.4 **Death.** Notwithstanding any provision of the Plan to the contrary, if a Participant dies prior to receiving all of his Incentive Benefits, all unvested benefits will vest and the unpaid portion of such vested Incentive Benefits shall be paid to the Participant's Beneficiary in the form of a lump sum distribution as soon as administratively practicable thereafter.

6.5 **Disability.** Notwithstanding any provision of the Plan to the contrary, if a Participant incurs a Disability prior to receiving all of his Incentive Benefits, all unvested benefits will vest and the unpaid portion of such vested Incentive Benefits shall be paid to the Participant in the form of a lump sum distribution as soon as administratively practicable thereafter.

6.6 Severe Financial Hardship Withdrawals.

- (a) Upon the request of a Participant, the Committee, in its sole discretion, may approve, due to the Participant's "Unforeseeable Emergency," an immediate lump sum distribution to the Participant of all or a portion of a Participant's unpaid vested Incentive Benefits. For the purposes of this Section 6.6, a Participant shall experience an "Unforeseeable Emergency" if, and only if, such Participant experiences a severe financial hardship as defined in Section 409A of the Code.

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- (b) The amount to be paid pursuant to this Section 6.6(a) of the Plan shall not exceed the amount necessary to satisfy the applicable Unforeseeable Emergency plus amounts necessary to pay taxes reasonably anticipated as a result of the payment, after taking into account the extent to which such hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Participant's assets (to the extent such assets would not itself cause severe hardship).

6.7 **Form of Payment.** Any payment of Incentive Benefits to the Participant (or in the event of his or her death, to the Participant's Beneficiary) shall consist of (i) cash equal to the fair market value of the interest of the Participant's Account in the Available Funds and (ii) Holding Units equal to the number of Holding Units notionally credited to the Participant's Account. The number of fractional Holding Units shall be aggregated to create a whole number of Holding Units, which shall be distributed in the form of Holding Units. Notwithstanding the foregoing, cash shall be distributed in lieu of the excess number of fractional Holding Units.

Section 7. CLAIMS PROCEDURES.

(a) Initial Claim.

- (i) Any claim by any employee, Participant or Beneficiary ("Claimant") with respect to eligibility, participation, vesting, contributions, benefits or other aspects of the operation of the Plan shall be made in writing to the Committee. The Committee shall provide

the Claimant with the necessary forms and make all determinations as to the right of any person to a disputed benefit. If a Claimant is denied benefits under the Plan, the Committee or its designee shall notify the Claimant in writing of the denial of the claim within ninety (90) days after the Committee or its designee receives the claim, provided that in the event of special circumstances such period may be extended.

(ii) In the event of special circumstances, the ninety (90) day period may be extended for a period of up to ninety (90) days (for a total of one hundred eighty (180) days). If the initial ninety (90) day period is extended, the Committee or its designee shall notify the Claimant in writing within ninety (90) days of receipt of the claim. The written notice of extension shall indicate the special circumstances requiring the extension of time and provide the date by which the Committee expects to make a determination with respect to the claim. If the extension is required due to the Claimant's failure to submit information necessary to decide the claim, the period for making the determination shall be tolled from the date on which the extension notice is sent to the Claimant until the earlier of (i) the date on which the Claimant responds to the Committee's request for information, or (ii) expiration of the forty-five (45) day period commencing on the date that the Claimant is notified that the requested additional information must be provided.

(iii) If notice of the denial of a claim is not furnished within the required time period described herein, the claim shall be deemed denied as of the last day of such period.

(iv) If a claim is wholly or partially denied, the notice to the Claimant shall set forth:

- (A) The specific reason or reasons for the denial;
- (B) Specific reference to pertinent Plan provisions upon which the denial is based;
- (C) A description of any additional material or information necessary for the Claimant to complete the claim request and an explanation of why such material or information is necessary;
- (D) Appropriate information as to the steps to be taken and the applicable time limits if the Claimant wishes to submit the adverse determination for review; and
- (E) A statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review.

(b) **Claim Denial Review.**

(i) If a claim has been wholly or partially denied, the Claimant may submit the claim for review by the Committee. Any request for review of a claim must be made in writing to the Committee no later than sixty (60) days after the Claimant receives notification of denial or, if no notification was provided, the date the claim is deemed denied. The Claimant or his duly authorized representative may:

- (A) Upon request and free of charge, be provided with reasonable access to, and copies of, relevant documents, records, and other information relevant to the Claimant's claim; and
- (B) Submit written comments, documents, records, and other information relating to the claim. The review of the claim determination shall take into account all comments, documents, records, and other information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination.

(ii) The decision of the Committee upon review shall be made within sixty (60) days after receipt of the Claimant's request for review, unless special circumstances (including, without limitation, the need to hold a hearing) require an extension. In the event of special circumstances, the sixty (60) day period may be extended by the Committee in its sole discretion for a period of up to one hundred twenty (120) days.

(iii) If notice of the decision upon review is not furnished within the required time period described herein, the claim on review shall be deemed denied as of the last day of such period.

(iv) The Committee, in its sole discretion, may hold a hearing regarding the claim and request that the Claimant attend. If a hearing is held, the Claimant shall be entitled to be represented by counsel.

(v) The Committee's decision upon review on the Claimant's claim shall be communicated to the Claimant in writing. If the claim upon review is denied, the notice to the Claimant shall set forth:

- (A) The specific reason or reasons for the decision, with references to the specific Plan provisions on which the determination is based;
- (B) A statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim; and
- (C) A statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA.

- (c) All interpretations, determinations and decisions of the Committee with respect to any claim, including without limitation the appeal of any claim, shall be made by the Committee, in its sole discretion, based on the Plan and comments, documents, records, and other information presented to it, and shall be final, conclusive and binding.

The claims procedures set forth in this Section are intended to comply with United States Department of Labor Regulation § 2560.503-1 and should be construed in accordance with such regulation. In no event shall it be interpreted as expanding the rights of Claimants beyond what is required by United States Department of Labor Regulation § 2560.503-1.

Section 8. NO FUNDING OBLIGATION.

The Plan shall not be construed to require the Company to fund any of the benefits payable under the Plan or to set aside or earmark any monies or other assets specifically for payments under the Plan. The Plan is “unfunded” and Incentive Benefits shall be paid by the Company out of its general assets. Participants and their Beneficiaries shall not have any interest in any specific asset of the Company as a result of this Plan. Nothing contained in this Plan and no action taken pursuant to the provisions of this Plan shall create or be construed to create a trust of any kind, or a fiduciary relationship amongst the Company, the Committee, and the Participants, their Beneficiaries or any other person. Any funds which may be invested under the provisions of this Plan shall continue for all purposes to be part of the general funds of the Company and no person other than the Company shall by virtue of the provisions of this Plan have any interest in such funds. To the extent that any person acquires a right to receive payments from the Company

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under this Plan, such right shall be no greater than the right of any unsecured general creditor of the Company. The Company may, in its sole discretion, establish a “rabbi trust” to pay Incentive Benefits hereunder. If the Company decides to establish any accrued reserve on its books against the future expense of benefits payable hereunder, or if the Company establishes a rabbi trust under this Plan, such reserve or trust shall not under any circumstances be deemed to be an asset of the Plan, the Participants or their Beneficiaries.

Section 9. NON-TRANSFERABILITY OF RIGHTS UNDER THE PLAN.

The benefits payable or other rights under the Plan shall not be subject to alienation, transfer, assignment, garnishment, execution, or levy of any kind, and any attempt to be so subjected shall not be recognized.

Section 10. MINORS AND INCOMPETENTS.

In the event that the Committee finds that a Participant is unable to care for his affairs because of illness or accident, including as a result of a Disability, then Incentive Benefits, unless claim has been made therefor by a duly appointed guardian, committee, or other legal representative, may be paid in such manner as the Committee in its sole and absolute discretion shall determine, and the application thereof shall be a complete discharge of all liability for any payments or benefits to which such Participant was or would have been otherwise entitled under the Plan.

Any payments to a minor from this Plan may be paid by the Committee in its sole and absolute discretion (a) directly to such minor; (b) to the legal or natural guardian of such minor; or (c) to any other person, whether or not appointed guardian of the minor, who shall have the care and custody of such minor. The receipt by such individual shall be a complete discharge of all liability under the Plan therefor.

Section 11. WITHHOLDING TAXES.

The Company shall have the right to make such provisions as it deems necessary or appropriate to satisfy any obligations it may have to withhold federal (including without limitation, employment taxes imposed by the Federal Insurance Contributions Act), state or local income or other taxes incurred by reason of payments pursuant to the Plan. In lieu thereof, the Company shall have the right to withhold the amount of such taxes from any other sums due or to become due from the Company to the Participant upon such terms and conditions as the Company may prescribe.

Section 12. ASSIGNMENT.

Subject to Section 9 of the Plan, the Plan shall be binding upon and inure to the benefit of the Company, its successors and assigns and the Participants and their heirs, executors, administrators and legal representatives. In the event that the Company sells all or substantially all of the assets of its business and the acquiror of such assets assumes the obligations hereunder, the Company shall be released from any liability imposed herein and shall have no obligation to provide any benefits payable hereunder.

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Section 13. LIMITATION OF RIGHTS.

Nothing contained herein shall be construed as conferring upon any individual the right to continue in the employ of the Company or its Affiliates as an executive or in any other capacity or to interfere with the right of the Company or its Affiliate to discharge him at any time for any reason whatsoever.

Section 14. ADMINISTRATION.

On behalf of the Company, the Plan shall be administered by the Committee or, to the extent specifically permitted under the terms of the Plan, a designee of the Committee; provided that, if any authority to administer the Plan is delegated by the Committee, such administration shall be subject to the oversight of the Committee. The Committee (or its designee) shall have the exclusive right, power, and authority, in its sole and absolute discretion, to administer, apply and interpret the Plan and any other Plan documents and to decide all matters arising in connection with the operation or administration of the Plan. Without limiting the generality of the foregoing, the Committee shall have the sole and absolute discretionary authority: (a) to take all actions and make all decisions with respect to the eligibility for, and the amount of, benefits payable under the Plan; (b) to formulate, interpret and apply rules, regulations and policies necessary to administer the Plan in accordance with its terms; (c) to decide questions, including legal or factual questions, relating to the calculation and payment of benefits under the Plan; (d) to resolve and/or clarify any ambiguities, inconsistencies and omissions arising under the Plan or other Plan

documents; and (e) to process and approve or deny benefit claims and rule on any benefit exclusions. All determinations made by the Committee (or any designee) with respect to any matter arising under the Plan and any other Plan documents including, without limitation, any question concerning eligibility and the interpretation and administration of the Plan shall be final, binding and conclusive on all parties. To the extent that a form prescribed by the Committee to be used in the operation and administration of the Plan does not conflict with the terms and provisions of the Plan document, such form shall be evidence of (i) the Committee's interpretation, construction and administration of this Plan and (ii) decisions or rules made by the Committee pursuant to the authority granted to the Committee under the Plan.

Decisions of the Committee shall be made by a majority of its members attending a meeting at which a quorum is present (which meeting may be held telephonically), or by unanimous written action in accordance with applicable law.

No member of the Committee and no officer, director or employee of the Company or any other Affiliate shall be liable for any action or inaction with respect to his functions under the Plan unless such action or inaction is adjudged to be due to fraud. Further, no such person shall be personally liable merely by virtue of any instrument executed by him or on his behalf in connection with the Plan.

The Company shall indemnify, to the fullest extent permitted by law and its governing documents (but only to the extent not covered by insurance maintained by the Company directly covering the individuals) its officers and directors (and any employee involved in carrying out the functions of the Company under the Plan) and each member of the Committee against any expenses, including amounts paid in settlement of a liability, which are reasonably incurred in

connection with any legal action to which such person is a party by reason of his duties or responsibilities with respect to the Plan (other than as a Participant), except with regard to matters as to which he or she shall be adjudged in such action to be liable for fraud in the performance of his duties.

Section 15. AMENDMENT OR TERMINATION OF PLAN.

On behalf of the Company, the Board may, in its sole and absolute discretion, amend the Plan from time to time and at any time in such manner as it deems appropriate or desirable, and the Board may, in its sole and absolute discretion, terminate the Plan for any reason from time to time and at any time in such manner as it deems appropriate or desirable. In the event the Board terminates or freezes the Plan, there shall be no further accrual of Incentive Benefits hereunder (other than the crediting of Earnings).

Section 16. SEVERABILITY OF PROVISIONS.

In case any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provisions had not been included.

Section 17. ENTIRE AGREEMENT.

This Plan, along with the Participant's elections hereunder, constitutes the entire agreement between the Company and the Participant pertaining to the subject matter herein and supersedes any other plan or agreement, whether written or oral, pertaining to the subject matter herein. No agreements or representations, other than as set forth herein, have been made by the Company with respect to the subject matter herein.

Section 18. HEADINGS AND CAPTIONS.

The headings and captions herein are provided for reference and convenience only. They shall not be considered part of the Plan and shall not be employed in the construction of the Plan.

Section 19. NON-EMPLOYMENT.

The Plan is not an agreement of employment and it shall not grant an employee any rights of employment.

Section 20. PAYMENT NOT SALARY.

Except to the extent a plan otherwise provides, any amounts payable under this Plan shall not be deemed salary or other compensation to the Participant or Beneficiary for the purposes of computing benefits to which he or she may be entitled under any pension plan or other arrangement of the Company.

Section 21. GENDER AND NUMBER.

Wherever used in this Plan, the masculine shall be deemed to include the feminine and the singular shall be deemed to include the plural, unless the context clearly indicates otherwise.

Section 22. CONTROLLING LAW.

The Plan is established in order to provide deferred compensation to a select group of management and highly compensated employees within the meanings of Sections 201(2) and 301(a)(3) of ERISA. The Plan is intended to comply with the requirements imposed under Section 409A of the Code and the provisions of the Plan shall be construed in a manner consistent with the requirements of such section of the Code. To the extent legally required, the Code and ERISA shall govern the Plan and, if any provision hereof is in violation of any applicable requirement thereof, the Company reserves the right to retroactively amend the Plan to comply therewith. To the extent not governed by the Code and ERISA, the Plan shall be governed by the laws of the State of New York without giving effect to conflict of law provisions.

IN WITNESS WHEREOF, the Company has caused the Plan to be executed this 1st day of August, 2005.

ALLIANCE CAPITAL MANAGEMENT L.P.

By: Alliance Capital Management Corporation,
its General Partner

By: /s/ Robert H. Joseph, Jr.

Title: Senior Vice President and
Chief Financial Officer