

HUNTON & WILLIAMS LLP  
AMENDED AND RESTATED PARTNERSHIP AGREEMENT

APRIL 1, 2003



HUNTON & WILLIAMS LLP PARTNERSHIP AGREEMENT  
AS AMENDED AND RESTATED, EFFECTIVE APRIL 1, 2003

CONTENTS

	Page
ARTICLE I PRINCIPLES AND PURPOSES .....	1
1.01. The Practice of the Law .....	1
1.02. The Purposes of the Partnership.....	1
ARTICLE II DEFINITIONS .....	2
2.01. Continuous Service .....	2
2.02. Counsel.....	3
2.03. Disabled .....	3
2.04. Earnings .....	3
2.05. Event of Removal.....	3
2.06. Majority, Three-Fourths.....	5
2.07. Participating Partner.....	5
2.08. Participation Right .....	5
2.09. Partner .....	5
2.10. Partner Nonrecourse Debt Minimum Gain .....	5
2.11. Partnership .....	6
2.12. Partnership Minimum Gain.....	6
2.13. Pension Offset .....	6
2.14. Pronouns.....	8
2.15. Retirement Plan.....	8
2.16. Salaried Partner .....	8
2.17. Senior Counsel .....	8
2.18. Two-Thirds in Interest, Majority in Interest .....	8
2.19. Withdraw or Withdrawal .....	8
2.20. Withdrawing Partner .....	8
2.21. Years of Service.....	9
ARTICLE III FORMATION AND DISSOLUTION .....	9
3.01. Formation and Continuation .....	9
3.02. Decisions; Notices; Dissolution; Amendment .....	10
3.03. Contribution to Capital.....	10
3.04. Resignation.....	11
3.05. Successor Partnership .....	11
ARTICLE IV RIGHTS, PRIVILEGES, DUTIES, AND OBLIGATIONS .....	13
4.01. Partners.....	13
4.02. Senior Counsel .....	14
4.03. Counsel.....	14
ARTICLE V EXECUTIVE COMMITTEE AND MANAGING PARTNER.....	14
5.01. Membership .....	14

5.02.	Chairman, Vice Chairman and Secretary.....	17
5.03.	Decisions.....	17
5.04.	Duties.....	17
5.05.	Review of Action of Executive Committee.....	19
5.06.	Duties of Managing Partner.....	19
5.07.	Superannuation.....	20
ARTICLE VI FINANCIAL MATTERS .....		20
6.01.	Fees .....	20
6.02.	Fiscal Year and Accounts .....	21
6.03.	Participation in Income and Losses .....	22
6.04.	Participation in Qualified Retirement Plans.....	23
6.05.	Distribution .....	24
6.06.	Senior Counsel Status .....	26
6.07.	Disability.....	30
6.08.	Actions of Partnership or Executive Committee.....	32
6.09.	Salaried Partners .....	33
6.10.	Income Tax Allocations.....	33
6.11.	Insurable Interest.....	35
6.12.	Reimbursable Expenses .....	35
6.13.	Community Property Interests of Partners.....	36
6.14.	Hunton & Williams Supplemental Retirement Plan .....	36
ARTICLE VII DEATH AND WITHDRAWAL.....		37
7.01.	Death.....	37
7.02.	Withdrawal.....	40
7.03.	Removal.....	42
7.04.	Severance Benefit .....	43
ARTICLE VIII PARTNERSHIP MEETINGS .....		43
8.01.	Meetings.....	43
ARTICLE IX AMENDMENT AND MISCELLANEOUS .....		44
9.01.	Amendment.....	44
9.02.	Securities.....	44
9.03.	Indemnification .....	44
9.04.	Parties.....	45
9.05.	Counterparts .....	45
9.06.	Special Provisions .....	45
9.07.	Power of Attorney .....	45
9.08.	Tax Matters Partner; Partner Tax Compliance .....	46
9.09.	Effective Date .....	46

Exhibit A: Participation Percentages

Exhibit B: Investment Policy

**HUNTON & WILLIAMS LLP PARTNERSHIP AGREEMENT  
AS AMENDED AND RESTATED, EFFECTIVE APRIL 1, 2003**

**ARTICLE I**

**PRINCIPLES AND PURPOSES**

1.01. The Practice of the Law. The practice of the law is a service to society.

While an aid to business, it is concerned also with the public welfare. It is informed by the past, dedicated to the future and governed by justice. It is in the light of these principles that this Agreement shall be interpreted and applied.

1.02. The Purposes of the Partnership. The client cannot be served by an individual so well as by a team. It is only a team that can offer special abilities in innumerable fields and coordinate them for the discharge of important responsibilities. Promoting in this way the interests of clients, the partnership promotes also the interest of partners and renders a broader public service. It strengthens each with the judgment of all. It builds and maintains a position of public respect. It provides the volume of work that permits the development of specialized competence and tends to stabilize the level of receipts. All the partners accordingly pledge their best efforts to aid the professional advancement of each to the end that with just recognition for achievement and ability each shall receive from the others a fair opportunity to use his best abilities for the common benefit and shall receive an approximate, if not complete or perfect, compensation for his abilities and industry, out of the partnership funds, so far as such funds may be available. It is in the light of these purposes that this Agreement shall be interpreted and all questions that may arise from time to time shall be resolved.

## ARTICLE II

### DEFINITIONS

2.01. Continuous Service. "Continuous Service" means an individual's period of uninterrupted service with the Partnership as an employee, independent contractor or Partner, including service prior to the effective date of this Agreement. Continuous Service shall not be deemed to be interrupted by reason of a temporary layoff or leave of absence with the approval of the Executive Committee for up to two years, or for sickness, injury or service with the Armed Services of the United States (provided such Partner, independent contractor or employee returns to service with the Partnership within the period during which his re-employment rights as a veteran are protected by law). A Partner who has Withdrawn from the Partnership and thereafter returns to the Partnership as a Partner, independent contractor or employee, or an independent contractor or employee whose employment by the Partnership has been terminated and who later returns to the Partnership as an employee, independent contractor or Partner, shall be deemed a new Partner, independent contractor or employee as of the date of his return for all purposes of this Agreement; and his Continuous Service shall be measured only from the date of such return. The Executive Committee may, from time to time, at its discretion, with disclosure to the Partners, grant individuals becoming Partners, independent contractors or employees of the Partnership credit for prior service with the Partnership or for service with prior employers or as self-employed individuals for purposes of this Agreement and, in appropriate circumstances, for purposes of any retirement or similar program maintained by the Partnership.

2.02. Counsel. "Counsel" means a lawyer who is selected as such by a vote of 80 Percent of the Partners and 80 Percent in Interest. His tenure as such shall be at the pleasure of the Executive Committee.

2.03. Disabled. "Disabled," when applied to an individual, or "Disability" means a state of incapacity, whether physical or mental, preventing an individual from performing all or some important portion of the duties normally expected of Partners if such incapacity appears likely to last permanently or for a long and indefinite time. Such incapacity and the time of commencement of Disability shall be determined by the Executive Committee and its determination shall be final and conclusive on all persons.

2.04. Earnings. "Earnings" means, for any applicable period, a Partner's salary, guarantee or his share of book net income or net loss based on his Participation Right, without regard to bonuses, cost of living or other supplements, and amounts received pursuant to any special compensation arrangements with the Partnership.

2.05. Event of Removal. "Event of Removal" as to any Partner means the happening of any one of the following events as to such Partner:

(i) The sale, assignment, mortgage, pledge, encumbrance, transfer, hypothecation or disposition of any kind, by operation of law or otherwise, by such Partner, without the prior written agreement of Two-Thirds in Interest of the Partners, of all or any part of his interest in the Partnership, or any of the funds thereof, or any funds due or to become due therefrom, except as expressly permitted by this Agreement;

(ii) The entry of a decree or order by a court having jurisdiction in the premises providing for the relief of such Partner as a debtor or bankrupt under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or for the

appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Partner or any substantial part of his assets provided that such decree or order shall not be stayed within 60 days after its entry; the insolvency of such Partner as finally determined by a court proceeding; the commencement of a voluntary case by such Partner under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect or the consent by such Partner to an order for relief in an involuntary case under any such law; the filing by such Partner of a petition or application for the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such Partner or a substantial part of his assets; commencement of any proceedings relating to such Partner under any other reorganization, arrangement, insolvency, adjustment of debt or liquidation law of any jurisdiction, whether now in existence or hereinafter in effect, either by such Partner or by another, provided that if such proceeding is commenced by another, such Partner indicates his approval of such proceeding, consents thereto or acquiesces therein, or such proceeding is contested by such Partner and has not been finally dismissed within 60 days;

(iii) The causing by any creditor of such Partner of any form of lien, levy, attachment or execution to issue against such Partner's interest in the Partnership, or a substantial part of his assets, based upon the separate debts of such Partner unrelated to the Partnership, unless such lien, levy, attachment or execution is being contested in good faith by such Partner and he has provided security satisfactory to the Executive Committee therefor, or is finally set aside within 60 days; or

(iv) The failure by such Partner to comply with the requirements and undertakings of Section 9.08.

2.06. Majority, Three-Fourths. "Majority," "Three-Fourths" or other fraction or percentage of the Partners means the specified fraction or percentage of the total number of Partners.

2.07. Participating Partner. "Participating Partner" means a Partner having a Participation Right.

2.08. Participation Right. "Participation Right" means the distributive share expressed in a percentage that a Participating Partner has in the profits or losses of the Partnership ("Distributive Share"). If the Executive Committee at any time elects to limit the distribution of a Partner to an amount less than the amount that normally would be realized through his Participation Right, his Participation Right is automatically adjusted accordingly to reflect the revised participation for the period that the reduction in income is in place. Participation Rights in the Partnership shall be evidenced through the award of Distributive Share by the Executive Committee as hereinafter provided. The aggregate Distributive Shares of all Participating Partners shall not exceed 100%.

2.09. Partner. "Partner" means one of the undersigned parties who executes this Agreement as a Partner or a person hereafter admitted as a member of the Partnership, excluding those who shall have attained Senior Counsel status as provided in Section 6.06 and made the election provided in Section 6.06(f) and former Partners who have died or Withdrawn.

2.10. Partner Nonrecourse Debt Minimum Gain. "Partner Nonrecourse Debt Minimum Gain" has the meaning set forth in Treasury Regulations Section 1.704-2(i). A Partner's share of Partner Nonrecourse Debt Minimum Gain shall be determined in accordance with Treasury Regulations Section 1.704-2(i)(5).



2.11. Partnership. "Partnership" means the partnership existing at the date of this Agreement and confirmed by the terms hereof. The term "Partnership" shall also include predecessor partnerships and successor partnerships which continue after the admission or Withdrawal of Partners as provided in Article III. In the event of dissolution of the Partnership, the term "Partnership" shall also include successor partnerships which continue the business of the Partnership as provided in Section 3.05 and successors thereto.

2.12. Partnership Minimum Gain. "Partnership Minimum Gain" has the meaning set forth in Treasury Regulations Section 1.704-2(d). In accordance with Treasury Regulations Section 1.704-2(d), the amount of Partnership Minimum Gain is determined by first computing, for each Partnership nonrecourse liability, any gain the Partnership would realize if it disposed of the property subject to that liability for no consideration other than full satisfaction of the liability, and then aggregating the separately computed gains. A Partner's share of Partnership Minimum Gain shall be determined in accordance with Treasury Regulations Section 1.704-2(g)(1).

2.13. Pension Offset. "Pension Offset" means a monthly amount payable for the affected Partner's life only that could be purchased as an annuity at the date of determination (or a date otherwise agreed to by the affected Partner and the Executive Committee) based on the balance of the affected Partner's Class Pension Offset Account ("CPOA"). Each Partner's CPOA, whether or not the affected Partner is eligible to participate in the Retirement Plan, shall consist of the deemed Partnership contributions pertaining to a hypothetical Partner (described below) that would be required of a Partner eligible to participate pursuant to the first two sentences of Section 6.04 and the deemed earnings, losses or gains credited thereto. Such amount shall be determined based on the value of the Partner's CPOA as of the valuation

date immediately preceding the April 1 in regard to which the amount in question is being calculated. Except as otherwise specified to a Partner in writing by the Managing Partner, pursuant to action of the Executive Committee, each Partner shall be assigned a CPOA by the Executive Committee constructed based on a hypothetical partner of the same age who followed a normal educational path, i.e., he completed secondary school on a normal schedule, attended college the following fall and graduated with his class, entered law school the following fall and graduated with his class, came directly to work for the Partnership immediately thereafter, was admitted to the partnership on the then normal track, and received compensation thereafter each year equal to the maximum amount that could be taken into account under Section 401(a)(17) of the Internal Revenue Code of 1986, as amended (the "Code") under the Retirement Plan as of the time of the deemed contribution for such plan year based on the mandatory contribution provisions of Section 6.04. All such determinations, assumptions and calculations shall be made in a uniform and nondiscriminatory manner as determined from time to time by the Executive Committee in its sole discretion. The CPOA shall be maintained as a phantom account and taken into account in determining each Partner's Pension Offset. The earnings or losses credited to CPOAs shall be determined based on the actual returns of the investment fund managed at the direction of the Retirement Program Investment Committee or such other benchmarks as designated from time to time by the Retirement Program Investment Committee or the Executive Committee. Further, in calculating contribution credits to be made to CPOAs, it shall be assumed that the hypothetical Partner never participated in any qualified plan maintained by the Partnership (other than plans to which the contributions required to be maintained pursuant to the first two sentences of Section 6.04 would normally have been made).

2.14. Pronouns. "Pronouns." In this Agreement use of the masculine pronoun includes the feminine and vice versa.

2.15. Retirement Plan. "Retirement Plan" means Hunton & Williams Retirement Savings Plans A and B and their concomitant Trust Agreement, effective March 31, 2003, or any successor plan.

2.16. Salaried Partner. "Salaried Partner" means a Partner who does not have a Participation Right and who is compensated on a salaried basis.

2.17. Senior Counsel. "Senior Counsel" means a Partner or former Partner who has attained Senior Counsel status as provided in Section 6.06.

2.18. Two-Thirds in Interest, Majority in Interest. "Two-Thirds in Interest," "Majority in Interest" or other specified fraction or percentage in interest of the Partners means Participating Partners who in the aggregate are at the time entitled to Distributive Shares equal to Two-Thirds, a Majority or other specified fraction or percentage, as the case may be, of the aggregate Distributive Shares then awarded to all Participating Partners.

2.19. Withdraw or Withdrawal. "Withdraw" or "Withdrawal" means, and "Withdrawing" and "Withdrawn" refers to, the termination of membership by any Partner in the Partnership for any reason other than death or pursuant to the election accorded Senior Counsel under Section 6.06(f), whether by resignation, removal or otherwise. In the event of the dissolution of the Partnership, any person not continuing as a member of any successor partnership, which is included within the term "Partnership" shall be deemed to have Withdrawn.

2.20. Withdrawing Partner. "Withdrawing Partner" means any Partner who Withdraws.

2.21. Years of Service. "Years of Service" means an individual's number of full fiscal years of Continuous Service with the Partnership.

### ARTICLE III

#### FORMATION AND DISSOLUTION

3.01. Formation and Continuation. The firm of Munford, Hunton, Williams & Anderson was formed on November 1, 1901, and with changes of membership and name has continued to the present time. The undersigned parties hereby agree to continue as Partners for the practice of law under the firm name of Hunton & Williams LLP on the terms and conditions herein stated. The Partnership, and any successor partnership under Section 3.05, shall at all times be a registered limited liability partnership in accordance with Section 50-73.132 et seq. of the Code of Virginia (1950), as amended, or any successor statute or legislation therefor, and shall take all such other and further acts as shall be necessary to maintain such registration in Virginia and to be qualified or so recognized in such other jurisdictions wherein the Partnership may be deemed to be practicing law or transacting business, as appropriate in the judgment of the Partnership's Executive Committee, in order to benefit fully from the limitations on liability available to the Partnership under such statute. The Partnership shall continue from fiscal year to fiscal year, unless sooner dissolved as herein provided. The Partnership shall automatically continue through a successor partnership, if any new Partner is added or any Partner dies or Withdraws, with any changes that may be made at the time in this Agreement pursuant to Section 9.01, and also in the event of a resolution dissolving the Partnership pursuant to Section 3.02 if the business of the Partnership is continued as provided in Section 3.05.

3.02. Decisions; Notices; Dissolution; Amendment. The unanimous vote or assent of the Partners shall be necessary for the admission of new Salaried Partners, and the unanimous vote or assent of the Participating Partners shall be necessary for admission of new Participating Partners and for the designation of a Salaried Partner as a Participating Partner. A vote of Two-Thirds in Interest of the Partners and a Majority of the Partners shall be necessary for the dissolution of the Partnership, the amendment of the Partnership Agreement, the formation of a new partnership after a resolution dissolving the Partnership and, in such event, the continuation or change of the name of the Partnership (including the retention or discontinuance of the name of any Partner who has Withdrawn or of any person who was a partner in any predecessor partnership). For all purposes under this Agreement, a Partner to whom a written (including by facsimile or email) notice of the proposed action has been delivered at his office or firm email address by the Managing Partner and from whom the Managing Partner has not received a reply at the end of ten days after the date of such delivery shall be deemed to have assented to the proposed action. Other matters are committed to the Executive Committee except as hereinafter otherwise provided below.

3.03. Contribution to Capital. The total amount of Partners' capital shall be determined by the Executive Committee from time to time. Each Participating Partner will contribute to Partners' capital the percentage of the Partners' capital equal to his Participation Right in the Partnership. The amount of the capital contribution to be made by each Participating Partner shall from time to time be changed so that the ratio of his capital account to the capital account of all Participating Partners shall, at the end of each fiscal year, correspond to his Participation Right in the Partnership at the time, and any adjustment necessitated by such change shall be made at that time, except that, in order to avoid undue

burdens, no Participating Partner shall be required to make a contribution to Partners' capital in any fiscal year in excess of ten percent of the amount that he would otherwise have received as a distribution from net income of the Partnership during such fiscal year unless, after such contributions, there still remains a deficiency in Partners' capital, in which event the Executive Committee may require that each Participating Partner shall contribute to Partners' capital such amount as may be required to eliminate the deficiency in proportion to his Participation Right.

The Executive Committee may modify further the requirements as to contributions to Partners' capital of Partners who become Partners without prior employment by the Partnership.

A capital account shall be determined and maintained for each Partner in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv) (a) ("Tax Capital Account").

3.04. Resignation. Any Partner may in any calendar month by written notice to the Managing Partner elect not to continue in the Partnership and in that event his resignation shall become effective at the close of business on the last day of such calendar month or such other date as may be agreed upon by the Executive Committee. He shall thereafter be deemed a Withdrawing Partner.

3.05. Successor Partnership. In the event of the adoption of a resolution dissolving the Partnership, those who constitute Two-Thirds in Interest of the Partners and a Majority of the Partners shall, subject to the provisions hereinafter contained, have the sole and exclusive right, if they so elect, to retain and use any part or all of the Partnership's property and the name of the Partnership or a partnership name that includes any part or all of the Partnership name as then constituted (provided, however, that in no event may the name of any living

person be included in the Partnership name or any other partnership name without his consent unless it be also the name of any person now dead who was a partner in any predecessor partnership). In the event of the automatic continuation of the Partnership after any new Partner is added or any Partner dies or Withdraws as provided in Section 3.01, or of an election pursuant to this Section 3.05 to continue the Partnership or form a new partnership after a resolution of dissolution, whether under a supplement to this Agreement, or under a new partnership agreement, the Partners so continuing shall have the sole and exclusive right to do business in the name provided for in this Section 3.05 and with the property provided for in this Section 3.05, free from any and all claims, demands, right, title or interest by or in behalf of any Partner who has died or Withdrawn, except that the continuing Partnership or the new partnership shall pay to each Partner who has died or Withdrawn the amount to which he is entitled as provided in Article VII below. Any partnership so continuing the business of the Partnership, including any successors to such continuing partnership, whether such partnership or successor is established by supplement to this Agreement or by a new partnership agreement, shall be deemed, for the purposes of this Agreement, a continuation of the Partnership and is herein referred to either as the Partnership or as the "Continuing Partnership." The Continuing Partnership shall be bound by all the obligations of the Partnership.

For the purposes of this section, the property of the Partnership shall include all assets, tangible or intangible, all cases, accounts receivable, pending or finished business not yet billed, leasehold interests, the libraries, office furniture, computing and telecommunications equipment and infrastructure, books, papers, files, correspondence, records and documents

and, without limitation, all other properties, interests and goodwill then owned by the Partnership.

Upon the dissolution of the Partnership pursuant to this Section 3.05 (unless it is continued as provided above) or as otherwise permitted by law, the Partnership shall sell, collect or convert into cash all assets other than cash as promptly as possible, but in a businesslike manner so as not to cause undue loss. The accountants for the Partnership shall make a final audit of the records of the Partnership, and all cash on hand and the proceeds of the sale of the Partnership's assets shall be distributed as follows:

(i) all obligations and liabilities of the Partnership shall be paid or provided for in full, in the following order: (A) those owing to creditors other than Partners, and (B) those owing to Partners; and

(ii) to the Partners in proportion to and to the extent of the balances in their Tax Capital Accounts (adjusted as provided in Section 3.03 including all such adjustments resulting from the sale or disposition of Partnership assets). Such distributions shall be made no later than the applicable time specified in Treasury Regulation section 1.704-1(b)(2)(ii)(b)(2).

#### ARTICLE IV

##### RIGHTS, PRIVILEGES, DUTIES, AND OBLIGATIONS

4.01. Partners. The Participating Partners are the owners of the Partnership. All Partners have the right to vote on all matters that are subject to a vote by the Partners, to have access to all confidential information relating to the Partnership, to attend all Partnership meetings, dinners and retreats, to take four weeks of vacation during each fiscal year, to receive consideration for sabbatical leaves and, when available, to have large offices, except



that Salaried Partners shall have no right to vote on the admission of new Participating Partners or the designation of a Salaried Partner as a Participating Partner.

4.02. Senior Counsel. A Partner who has attained Senior Counsel status shall be relieved from the practice of law and shall have no further obligation to work. He shall have the right of access to all confidential information relating to the Partnership and to attend all Partnership dinners, meetings and retreats, and, unless he has made the election to cease being a Partner as provided in Section 6.06(f), he shall have the right to vote on any matter. A Senior Counsel who has made such election shall not have the right to vote on any matter.

4.03. Counsel. A Counsel shall have no vote on any matter relating to the Partnership and shall have no right of access to any confidential information relating to the Partnership. He shall be eligible to receive a bonus. He shall attend Partnership meetings, dinners and retreats only when invited by the Managing Partner. He may sign opinions, checks and vouchers and shall be entitled to take four weeks vacation during each fiscal year and to occupy a large office, if one is available. Counsel shall be engaged as employees or independent contractors as determined by the Executive Committee.

## ARTICLE V

### EXECUTIVE COMMITTEE AND MANAGING PARTNER

5.01. Membership. The Executive Committee shall, effective on April 1, 2003, consist of six Partners plus such additional Partners as may be required by the fourth following paragraph. Members shall be elected to the Executive Committee for three-year terms beginning on April 1 of the calendar year of their election, equal to the number of members whose terms expire on March 31 of such year. Any vacancy on the Executive Committee, whether resulting from the failure to elect a member or from resignation, death, Disability or

Withdrawal, shall be filled by a successor member elected for the unexpired term of his predecessor who must be of the same class as his predecessor only if necessary to meet the requirements of the second following paragraph.

No Partner who has attained either the age of 65 (unless otherwise approved by Two-Thirds in Interest of the Partners and a Majority of the Partners) or Senior Counsel Status or who has become Disabled shall be eligible for election as a member of the Executive Committee. The term of any Partner serving on the Executive Committee who attains the age of 65 (unless approved as aforesaid) during such term shall terminate as of the next succeeding March 31.

For purposes only of electing members of the Executive Committee, the Partners eligible for election shall be divided into classes (the "Classes") as follows:

- Class A: one who will have been a Partner for a minimum of 15 years on the first day of the term for which he is to be elected;
- Class B: one who will have been a Partner at least 5 but less than 15 years on the first day of the term for which he is to be elected; and
- Class C: one who will have been a Partner for less than 5 years on the first day of the term for which he is to be elected.

For purposes of this Section, a Partner admitted after practice elsewhere shall be classified by the Executive Committee as of the time of admission. The Executive Committee shall consist of not less than two Class A members, two Class B members and one Class C member and the remaining members may come from any class of Partners. The class to which a member of the

Executive Committee belongs shall be determined as of the first day of the term for which he is elected and shall not change until the expiration of such term.

Members shall be elected by the vote of a Majority in Interest and a Majority of the Partners. In Executive Committee elections it shall be appropriate for any Partner to vote for himself. Each member of the Executive Committee shall serve no more than two consecutive three-year terms plus any partial term for which such member was elected to fill a vacancy, except that any person serving as Chairman of the Executive Committee at the conclusion of his second consecutive term shall be eligible for election to a third consecutive term and successive terms so long as he is Chairman of the Executive Committee at the time of election. Any person elected pursuant to this exception shall serve only so long as he remains Chairman of the Executive Committee.

In addition to the six members prescribed in the first paragraph of this Section, if, as of April 1 of any year, any office of the Partnership shall have at least 15 Participating Partners whose principal business office is in such office (a "Qualifying Office") and there shall not be, as of such April 1, a Partner whose principal business office is in such Qualifying Office continuing to serve a term as a member, then (1) the Executive Committee shall, effective as of such April 1, be increased in size by the number of Qualifying Offices that do not have such a Partner continuing to serve a term as a member, and (2) a Partner whose principal business office is in such Qualifying Office shall be elected a member of the Executive Committee to fill the vacancy so created. Each Partner so elected shall also be classified as a Class A, Class B or Class C member, as appropriate. In each election of members of the Executive Committee, any seats created pursuant to the second preceding sentence in respect of Qualifying Offices shall be filled first and, after then giving effect to the classification required

by the immediately preceding sentence, the election shall proceed to fill any remaining vacancies within the Classes and other vacancies. Any annual election shall be held just prior to April 1 of each year or as soon thereafter as practicable. The administrator or managing partner of each office and such other persons as shall be designated by the Executive Committee from time to time shall be entitled to attend and participate in Executive Committee meetings except when the Executive Committee goes into executive session, but they shall not have the right to vote.

5.02. Chairman, Vice Chairman and Secretary. In April of each year the Executive Committee shall elect a Chairman and may elect a Vice Chairman. The Managing Partner shall serve as Secretary of the Executive Committee, prepare minutes of its meetings, and report its actions to the Partners.

5.03. Decisions. Except as otherwise provided herein, decisions of the Executive Committee shall be made by a majority vote of all members, each member being entitled to one vote.

5.04. Duties. The business and affairs of the Partnership shall be managed and controlled by the Executive Committee. Without limitation, its duties shall include:

- (a) Appointment of a Managing Partner and any Assistant Managing Partners;
- (b) Employment and discharge of all associates and other personnel except Partners and Senior Counsels and except that the employment of Counsel shall be only as provided in Section 2.02 hereof; and determination of the salaries, bonuses and other benefits and terms of employment and duties of such Counsel, associates and other personnel;

- (c) Resolving any issues relating to the assignment of work among the Partners, and the assignment and reassignment of lawyers to teams, sections or offices of the Partnership, after prior consultation with the administrative head of each team, section or office and the Partners affected by such action;
- (d) Appointment of standing and special committees of the Partners (which may include other persons) and determination of the duties thereof;
- (e) Deciding upon acceptance or continuance of any professional employment where any Partner entertains doubt as to the desirability or propriety of accepting or continuing the employment;
- (f) Deciding upon the amount to be charged any client by the Partnership for services rendered or to be rendered in cases where the Partner in charge has doubt as to a reasonable or proper charge for the services or where a difference of view arises with the client;
- (g) Reconciling differences of legal opinion among the Partners to assure, so far as practicable, that the opinions given clients by the Partnership are consistent and reflect the best collective judgment of the Partners;
- (h) Recommending from time to time the admission of Partners, and their designation as Salaried or Participating, and the designation of Counsel, subject to the vote or assent required by Section 3.02 or Section 2.02, respectively, but this provision shall not limit the right of any Partner to nominate any person for admission as a Partner or designation as Counsel;
- (i) Establishing annually, as close as practicable to the beginning of each fiscal year, the Distributive Share to be awarded to each Participating Partner and the salary to

be paid to each Salaried Partner and Counsel for such fiscal year and, at other times, any bonus or other compensation to be paid to any Partner or Counsel; and

(j) Performing other duties imposed by this Agreement and determining all other matters of firm business or policy.

5.05. Review of Action of Executive Committee. The Executive Committee will endeavor, through meetings and memoranda or other communications, to keep the Partners advised of matters of general interest or policy and to bring up for advance discussion and decision at Partnership meetings all matters considered to involve major firm policy. It is recognized, however, that, in the interest of efficiency and economy of time, the Executive Committee will have to take certain actions and make certain decisions from time to time without prior notice to or consultation with the Partners. At Partnership meetings the Executive Committee shall report all its actions that may be deemed of general interest or policy since the last Partnership meeting that shall not have been currently reported. Any Partner may, by notice to the Managing Partner, have any action of the Executive Committee, except its action under Section 6.03 or under Section 6.07, reviewed at a meeting of the Partners. Upon such review, any such action of the Executive Committee shall be deemed ratified and final unless disapproved by a vote of a Majority of the Partners and a Majority in Interest and in such event any decision made by the vote of a Majority of the Partners and a Majority in Interest shall be conclusive.

5.06. Duties of Managing Partner. The Managing Partner, whose term shall normally not exceed four years, shall be the chief administrative officer of the Partnership, and shall be responsible for the day-to-day management of its affairs and business. The Executive Committee may delegate to him such specific duties and authority as may be deemed by it to

be desirable. The Managing Partner shall serve as Secretary of the Executive Committee and attend all its meetings. Any Assistant Managing Partner or Partners shall assist the Managing Partner as he may request, and in the absence of the Managing Partner shall perform his duties.

5.07. Superannuation. No Partner over the age of 65 shall serve as Managing Partner or as the administrator of any group, team, section or office.

## ARTICLE VI

### FINANCIAL MATTERS

6.01. Fees. All fees, commissions and other compensation of any character received by any lawyer affiliated with the Partnership in any capacity for services performed, including, without limitation, all services as executor, administrator, trustee, guardian, committee, special master, referee, receiver, committee member and reorganization manager, corporate director and all other compensation of any character for services performed shall be deemed Partnership income and shall be paid into the Partnership, except that (i) any Senior Counsel and, subject to Executive Committee approval, any Partner may retain any directors' fees and other compensation for services other than legal services received by him, but all compensation received by any Partner or by any Senior Counsel for any legal services shall be paid into the Partnership and, in the case of a Senior Counsel, notwithstanding the Senior Counsel's election to cease being a partner as provided in Section 6.06(f), and (ii) the Executive Committee may make such arrangements between any Counsel and the Partnership as the Executive Committee may approve. Except as may be otherwise provided by the Executive Committee, each lawyer may exercise his own discretion as to whether or not a charge is to be made, and the amount, for such services in any particular case, but all receipts from charges so made shall be income of and paid to the Partnership regardless of the source

of the payment. If any such lawyer dies or Withdraws, compensation thereafter received by him or his estate for services rendered before the date of death or Withdrawal shall be paid by him or his estate to the Partnership.

This Section shall not prohibit any lawyer from receiving and retaining, where eligible, group life, health and accident insurance, airline travel bonuses, discounts, and such other fringe benefits made available to Partners generally as the Executive Committee may approve from time to time. Neither shall it prohibit any lawyer from receiving and retaining personal gifts of nominal value from clients. No lawyer shall retain anything of value received from a client of the Partnership except in accordance with this provision or with prior approval of the Executive Committee, and such approval shall not be granted unless it is clear to the Executive Committee that the client expects no consideration for the benefit conferred and that the granting of such a benefit by the client without consideration is in all respects lawful and proper.

6.02. Fiscal Year and Accounts. The fiscal year of the Partnership shall begin on April 1 and end on the next succeeding March 31. Generally the accounting practices in effect on the date of this Agreement shall continue in effect and this Agreement shall be interpreted accordingly. The Partnership shall keep the usual books of account so as to compute net income and losses on a cash basis, except that (a) fixed assets shall be capitalized and depreciated at appropriate rates, (b) deferred assets shall be capitalized and amortized over the appropriate period, (c) disbursements for in-house client services shall be recorded as accounts receivable until paid, except that, with the consent of the Internal Revenue Service, the Partnership shall record such disbursements as expenses when made and



record the collection thereof as revenues. The books of account of the Partnership shall at all times be open to inspection of each of the Partners and Senior Counsel.

6.03. Participation in Income and Losses. The Executive Committee shall determine, for each fiscal year (i) the Distributive Share awarded to each Participating Partner and whether such Partner shall continue as such or become a Salaried Partner and (ii) the salary of each Salaried Partner, and cause such determinations to be evidenced by a supplement to this Agreement to be designated as Exhibit A hereto and distributed to the Partners. Every Participating Partner shall share in the net income or net losses of the Partnership for each fiscal year in accordance with his then current Participation Right, except as otherwise specifically provided in this Agreement. In this regard, Partnership income and expense attributable to contributions on behalf of Partners to qualified retirement plans, the portion of parking expense attributable to Partners (or the portion of any lease expense deemed by the Executive Committee as so attributable), the portion of accidental death and dismemberment insurance premiums, health insurance premiums, and life insurance premiums attributable to Partners, and income on loans relating to the Partnership's retirement program shall be allocated to the Partner to whom such items relate or are deemed by the Executive Committee to relate (or, in the case of a Salaried Partner, treated as part of his salary for the year). In exercising its judgment in the assignment of Distributive Share, the Executive Committee shall evaluate as fairly as possible each Partner's contribution to the success and standing of the Partnership and in doing so shall consider such Partner's (i) seniority, (ii) general standing and position at the bar and in his community, (iii) development of new business for the firm, (iv) volume and quality of legal work accomplished and (v) contribution to the internal unity and overall welfare of the Partnership and its employees, all in accordance with the purposes

stated in Section 1.02. The order of this enumeration shall not be deemed to indicate that any one consideration shall be given greater weight than any other. No increase shall be made in the Participation Right awarded to any member of the Executive Committee except upon unanimous consent of all members of the Executive Committee other than the member awarded the increase in Participation Right.

6.04. Participation in Qualified Retirement Plans. Except as otherwise approved by the Executive Committee, each Partner shall participate in one or more qualified retirement plans designated by the Partnership. Such participation shall result in aggregate Partnership contributions being made on behalf of such Partner in an amount equal to the Partnership contributions (other than Partnership contributions made as a result of earnings or salary deferral elections) that would have been made on his behalf as a contribution under the Retirement Plan. Partners may, to the extent allowed by law, also participate in any additional qualified retirement plan established by the Partnership for which they are eligible, and the elective feature of the Retirement Plan. Effective April 1, 1983, each Partner's allocable share of the Partnership's contributions on behalf of all Partners to qualified retirement plans maintained by the Partnership (including Partnership contributions made as a result of earnings or salary deferral elections) shall be the Partnership contributions made on his behalf to all such plans, determined in accordance with procedures adopted by the Executive Committee and, in the case of a defined benefit plan, as determined by the actuary retained in conjunction with the applicable plan. Each Participating Partner's share of contributions for all other Partnership contributions to qualified retirement plans (other than contributions attributable to Counsel) shall be determined in accordance with such Participating Partner's share of net income or net loss of the Partnership, if any. For purposes of this Agreement, contributions to

any qualified retirement plan shall be charged against Partnership income for the fiscal year for which such contributions are deductible for federal income tax purposes. Contributions attributable to Salaried Partners shall be deducted in such installments or in a lump sum, as the Executive Committee may determine from time to time, from any salary, draw, bonus, or other amount payable by the Partnership to such Partner (such deductions to be made in advance of such contribution if the Partnership so determines). No Partner shall have any claim against either the Partnership or any qualified retirement plan maintained by the Partnership with respect to such contributions except in accordance with the vesting provisions of any such plan. Further, each Partner and such Partner's heirs, spouse, former spouses and any beneficiary shall look solely to the assets of any qualified retirement plan in which the Partner participates or has participated and not to the Partnership for the payment of any benefits due thereunder. At any time the Partnership incurs a funding deficiency or liability relating to a Partner's accrued benefit or account or the benefit paid under a defined benefit plan, such Partner shall be indebted to the Partnership for the amount of such deficiency or liability and the Partnership may deduct or withhold such amount from any return of capital, distribution, draw, bonus, or other payment otherwise due such Partner (or his heirs, representatives, or assigns) and allocate such expense to the affected Partner. All determinations pursuant to this paragraph by the Partnership shall be final, binding, and conclusive on all Partners, former Partners, and their heirs, representatives, and assigns.

6.05. Distribution. The net income of the Partnership for each fiscal year shall be applied first to payments due for Partners' capital, then to payments to Partners who have died, then to payments to Salaried Partners to the extent of their salaries, then to payments to Disabled Partners and Senior Counsel subject to the limitation contained in Section 6.06(d),

and then to Partners who have withdrawn pursuant to Article VII. Charges to the personal account of any Partner (including Senior Counsel) shall be deducted before any payment is made to him, except that charges for business travel shall be deducted no earlier than the last business day of the month following the month in which such charges are incurred.

The remainder of the net income of the Partnership shall be distributed in the following manner: (a) an amount determined in the discretion of the Executive Committee from time to time throughout each fiscal year multiplied by the Partner's Participation Right, or such other amount as the Executive Committee determines is appropriate in the case of an individual Partner, shall be paid to each Participating Partner on the last business day of the first eleven calendar months during the fiscal year ("gross payment") as a draw against the Partner's anticipated Distributive Share of the Partnership's net income for the fiscal year, but there shall be deducted from the gross payment all appropriate charges to such Partner's personal account during such month; (b) within 15 days after the end of each fiscal year the Partnership shall distribute to each Participating Partner his Distributive Share of the net income of the Partnership for the preceding fiscal year reduced by the gross payments to such partner during such fiscal year; and (c), except as otherwise approved by the Executive Committee, within 15 days after the end of each fiscal year, each Participating Partner shall repay to the Partnership any excess of the gross payments to him during such fiscal year over his Distributive Share of the net income of the Partnership for such fiscal year. Notwithstanding the foregoing provisions, the Executive Committee may from time to time establish such funds or reserves as it deems are necessary or desirable in the best interests of the Partnership and shall reduce distributions to Participating Partners accordingly. The portion of such funds or reserves allocable to a Participating Partner in any fiscal year shall be added to his capital account.

6.06. Senior Counsel Status. The following provisions shall govern in connection with attaining Senior Counsel Status:

(a) On the April 1 coincident with or next following the attainment of age 65 by a Partner who has not commenced Senior Counsel status pursuant to an election under Section 6.06(b) hereof, such Partner shall be deemed to have attained Senior Counsel status and shall, as of the preceding day, be repaid his contribution to Partners' capital (if any, less any amount due the Partnership under Section 6.04); and shall (so long as he shall remain a Senior Counsel) thereafter receive so long as he shall live an amount each month equal to one-twelfth of the lesser of (i) 40% of the average of his 5 highest years' Earnings during the preceding 15 fiscal years of the Partnership, prorated for less than 30 Years of Service, or (ii) \$170,000 less (in either case) the sum of (A) the amount of the primary benefit to which such Partner would be entitled under the Social Security Act (including within such term for purposes of this Agreement the Social Security Act of the United States, as amended from time to time, and any comparable governmental program for old-age insurance, disability and survivor benefits, or substantially similar benefits, under the laws of a non-United States jurisdiction, as amended from time to time) as in effect on the date such Senior Counsel status commences or, in the case of a Partner who commences Senior Counsel status prior to his retirement age under the Social Security Act, the amount of the primary benefit to which such Partner would be entitled under the Social Security Act at his retirement age thereunder assuming he received to such age Earnings at the same level as he received for the immediately preceding fiscal year and (B) his Pension Offset, with the net amount adjusted for cost-of-living increases as provided in subsection (c) below. Such payments shall be further reduced for any net amount remaining due the Partnership under Section 6.04. If any such

Senior Counsel should die within 36 months after attaining Senior Counsel status, the amount that would have been paid to him during the remaining portion of such 36-month period had he lived shall be paid to his estate or any duly designated beneficiary for the remainder of such 36-month period; provided, however, that the payment required by this sentence shall be reduced by any proceeds of the normal accident policy paid to the estate or beneficiary of a deceased Senior Counsel in accordance with Section 7.01(c) hereof. Notwithstanding the foregoing provisions, the Executive Committee by majority vote may request a Partner who otherwise would become a Senior Counsel to remain an active Partner for all or a portion of the period from the April 1 on or after he attains age 65 until (but not after) the April 1 on or after he attains age 70. His retirement benefit shall be computed as of the day he becomes Senior Counsel. Notwithstanding the above, the Social Security offset attributable to a Senior Counsel who has not attained his retirement age under the Social Security Act shall be the amount of his estimated primary Social Security benefit that he could have elected to receive on the date he becomes Senior Counsel.

(b) As of any April 1 coincident with or following the attainment by a Partner of age 55 and the completion of at least 20 Years of Service, such Partner may with the consent of the Executive Committee, elect Senior Counsel status. As of any April 1 coincident with or following the attainment by a Partner of age 60 and the completion of at least 30 Years of Service, such Partner may, without the consent of the Executive Committee, elect Senior Counsel status. After any such election, such Partner shall be deemed to have attained Senior Counsel status and shall, as of the preceding day, be repaid his contributions to Partners' capital (if any, less any amount due the Partnership under Section 6.04) and shall (so long as he shall remain a Senior Counsel) thereafter receive so long as he shall live an amount each

month equal to one-twelfth of the lesser of (i) 40% of the average of his five highest years' Earnings during the period from the April 1 coincident with or following the date on which such lawyer attained age 50 through the end of the fiscal year preceding the April 1 on which he retires prorated for less than 30 Years of Service, or (ii) \$170,000, less (in either case) the sum of (A) the amount of the primary benefit to which such Partner would be entitled under the Social Security Act as in effect on the date Senior Counsel status commences assuming he had attained his retirement age thereunder and received Earnings at the same level as he was compensated for the immediately preceding fiscal year to such age, and (B) his Pension Offset, with the net amount adjusted for cost-of-living increases as provided in (c) below. Such payments shall be further reduced for any net amount remaining due the Partnership under Section 6.04. If Senior Counsel status commences prior to the April 1 coincident with or following the date on which such Partner attains age 65, the amount so determined hereunder before deduction of his Pension Offset shall be reduced by one-fifteenth for each year that will elapse between the date on which Senior Counsel status commences and such April 1. If any such Senior Counsel should die within 36 months after attaining Senior Counsel status, the amount that would have been paid to him during the remaining portion of such 36-month period, had he lived, shall be paid to his estate or any duly designated beneficiary for the remainder of such 36-month period; provided, however, that the payment required by this sentence shall be reduced by any proceeds of the normal accident policy paid to the estate or beneficiary of a deceased Senior Counsel or in accordance with Section 7.01(d) hereof.

(c) If, as of each anniversary of a Senior Counsel's attainment of Senior Counsel status under (a) or (b) above, the average Consumer Price Index (All Items, All Urban Consumers, United States, 1982-84 equals 100) prepared by the United States Department of

Labor for December of the immediately preceding calendar year (the cost-of-living computation month) exceeds by not less than 3% such index for the same month of the calendar year immediately preceding attainment of Senior Counsel status or with respect to which the last benefit increase was computed hereunder, whichever is later (the base month), effective with the applicable April payment, the monthly payment due such Senior Counsel shall be increased in an amount derived by multiplying his monthly payment from the Partnership for the preceding March by the same percentage (rounded to the nearest one-tenth of 1%) as the percentage by which the consumer price index for such cost-of-living computation month exceeds such index for the most recent base month; provided, however, that the Partnership shall not be obligated in respect of any year to make an adjustment of more than 6% and, to the extent that an adjustment for any year would otherwise have exceeded 6%, such excess shall carry over from fiscal year to fiscal year and be applied to cause or increase the adjustment for future years, as applicable.

(d) Notwithstanding anything in this Agreement to the contrary, whenever the total amount payable by the Partnership to Partners or former Partners who have attained Senior Counsel status or Partners who are Disabled shall exceed 5% of the net income of the Partnership available in accordance with Section 6.05 for distribution to Senior Counsel, Disabled Partners and Participating Partners ("Available Income"), there shall be a pro rata reduction in the amounts payable to such individuals by the Partnership so that the aggregate amount payable by the Partnership to all such individuals who have attained Senior Counsel status or who are Disabled shall not exceed 5% of the Available Income; provided, however, that any such reduction shall carry over from fiscal year to fiscal year and be restored when the



Available Income permits, and paid to Senior Counsel and Disabled Partners to make up for any such reduction.

(e) The Executive Committee may from time to time determine that it is in the best interests of the Partnership to supplement amounts otherwise payable under subsections (a) or (b) and may authorize such payments.

(f) Upon attaining the status of Senior Counsel and at any time thereafter, a Senior Counsel may elect to withdraw from the Partnership and thereby cease being a Partner. Section 7.02 shall not apply to a Senior Counsel who makes such election. Upon making such election, such Senior Counsel (i) shall cease having any rights and privileges of a Partner but shall retain all rights and privileges specified herein for Senior Counsel and (ii) shall, except as otherwise provided by law, cease having any liabilities and obligations of a Partner but shall retain all liabilities and obligations specified herein for Senior Counsel. A Senior Counsel may make such election by giving written notice thereof to the Managing Partner. The election shall be effective as of (i) the date specified in the written notice if such date is not earlier than (a) 90 days before the date such notice is given or (b) if the notice is given within 90 days after the attainment of Senior Counsel status, the date such status was attained, or (ii) the date such notice is given if the notice either does not specify a date or specifies a date earlier than permitted in the preceding clause (i). Once made, any such election shall be irrevocable, absent the unanimous consent of the Partners to permit the election to be revoked on such terms and conditions approved by such consent.

6.07. Disability.

(a) If any Partner who has not attained Senior Counsel status shall become Disabled and such Disability shall continue for a period of not less than one year:

(i) the Executive Committee may reduce his Participation Right or salary by such amounts and for such period, or may prescribe such salary in lieu of any Participation Right or salary, as in the judgment of the Executive Committee may, both as to the amount of compensation and as to its duration, be fair and just to the Disabled Partner and to the Partnership in view of all relevant circumstances, particularly those referred to in Section 6.03 and subsection (d) of Section 6.06; and

(ii) if he thereafter attains Senior Counsel status under subsection (a) of Section 6.06 before the Executive Committee acts under subsection (b) of this Section, the Executive Committee may make such substitute provision in lieu of the rights and benefits of Senior Counsel status under Section 6.06 as in the judgment of the Executive Committee may be fair and just to the Disabled Partner and to the Partnership in view of all relevant circumstances, particularly those referred to in Section 6.03, subsection (d) of Section 6.06, and subsection (b) of this section.

In determining the consequences of Disability pursuant to this Section, the Executive Committee shall take into account whether the Disability is complete or whether the Partner, while incapacitated from performing some important portion of his duties, remains able to perform some other important portion of his duties. A Disabled Partner shall not have the power to vote on any matter.

(b) The Executive Committee may require a Partner who is at least age 55 and Disabled to accept Senior Counsel status as of the first day of any month after the Disability shall have continued for at least one year. If he assumes Senior Counsel status at any time before the April 1 coincident with or next following the date on which he attains age 65, his compensation shall be determined in accordance with subsections (b), (c) and (d) of

Section 6.06 except that the reduction provided in the fourth sentence of subsection (b) of Section 6.06 shall be one one hundred and eightieth for each full month that will elapse between the date on which he assumes Senior Counsel status and such April 1. Amounts otherwise payable by the Partnership pursuant to this Section 6.07(b) shall be reduced by any disability insurance payments received from an insurer pursuant to a disability insurance program sponsored by the Partnership (notwithstanding the fact that such Partner's premiums for such coverage may be paid by him) and an amount determined by the Executive Committee to reflect, where applicable, the benefit to such Partner of the receipt of such payments free of income taxation. For purposes of subsection (c) of Section 6.06, any such Partner shall be deemed to have attained Senior Counsel status, if he in fact attained Senior Counsel status on any date other than an April 1, on the April 1 next following the date on which he actually attained Senior Counsel status.

(c) If any Partner, prior to the time that the Executive Committee takes action pursuant to either subsection (a) or (b) of this section, receives disability insurance payments from an insurer pursuant to a disability insurance program sponsored by the Partnership (notwithstanding the fact that such Partner's premiums for such coverage may be paid by him), his compensation from the Partnership shall be reduced by the amount of such payments and an amount determined by the Executive Committee to reflect, where applicable, the benefit to such Partner of the receipt of such payments free of income taxation.

6.08. Actions of Partnership or Executive Committee. All decisions of the Partnership or the Executive Committee made in good faith as to matters relating to management and operation, including, without limitation, the amount and propriety of all expenditures, the determination of net income or net loss of the Partnership, billings, write-offs

and other matters, shall be binding upon all Partners. Senior Counsel and Counsel, and upon all Partners who have Withdrawn and upon the estates of all Partners who have died.

6.09. Salaried Partners. The Executive Committee shall determine the salary of Salaried Partners. Salaried Partners may also be awarded from time to time by the Executive Committee such bonus or such other limited and contingent Participation Rights as the Executive Committee may approve. Salaried Partners will be entitled to no additional participation in the net income of the Partnership and the Partnership shall not be obligated to make any payments to Salaried Partners in excess of the net income of the Partnership for the current fiscal year available therefor. Salaried Partners will not be obligated to share in the losses of the Partnership.

6.10. Income Tax Allocations.

(a) Except as otherwise provided in Sections 6.03 and 6.04 and elsewhere in this Agreement, to the extent permitted by law, all net income or net losses, and all items of income, gain, loss, and deduction shall be allocated for income tax purposes in each fiscal year in the same manner as such net income, net losses and items of income, gain, loss and deduction are allocated to the respective Partners for accounting purposes under this Agreement. All credits shall be allocated for income tax purposes in each fiscal year in proportion to the Participating Partners' respective Participation Rights for that fiscal year. To the extent permitted by law, any depreciation or investment tax credit recapture resulting from sales or dispositions of assets by the Partnership, reduction in interest in the Partnership, or otherwise, in any fiscal year shall be allocated to the respective Participating Partners in proportion to their Participation Rights for such fiscal year. Should the Internal Revenue Service impute interest on any loan made by the Partnership to a Participating Partner, the

imputed interest income to the Partnership shall be allocated to, and the imputed expense to the Partnership shall be treated as a guaranteed payment to, the Partner to whom the loan was made.

(b) If a Partner receives in any taxable year an adjustment, allocation or distribution described in subparagraph (4), (5), or (6) of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) that causes or increases a negative balance in such Partner's Tax Capital Account that exceeds the sum of (i) such Partner's shares of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain, as determined in accordance with Treasury Regulations Section 1.704-2(g) and 1.704-2(i), and (ii) any amounts that such Partner is obligated to contribute to the capital of the Partnership, such Partner shall be allocated specially for such taxable year (and, if necessary, later taxable years) items of income and gain in an amount and manner sufficient to eliminate such excess negative Tax Capital Account balance as quickly as possible as provided in Treasury Regulations Section 1.704-1(b)(2)(ii)(d). After the occurrence of an allocation of income or gain to a Partner in accordance with this Section 6.10(b), to the extent permitted by Treasury Regulations Section 1.704-1(b) and Section 6.10(c) hereof, items of expense or loss shall be allocated to such Partner in an amount necessary to offset the income or gain previously allocated to such Partner under this Section 6.10(b).

(c) Net losses shall not be allocated to a Partner to the extent that such allocation would cause a deficit in such Partner's Tax Capital Account (after reduction to reflect items described in Treasury Regulations Section 1.704-1(b)(2)(ii)(d)(4), (5) and (6)) to exceed the sum of (i) such Partner's shares of Partnership Minimum Gain and Partner Nonrecourse Debt Minimum Gain and (ii) any amounts that such Partner is obligated to

contribute to the capital of the Partnership. Any net loss in excess of that limitation shall be allocated to the other Partners in accordance with their Tax Capital Account balances. After the occurrence of an allocation of net loss to a Partner in accordance with this Section 6.10(c), to the extent permitted by Treasury Regulations Section 1.704-1(b), income or gain shall be allocated to such Partner in an amount necessary to offset the net loss previously allocated to such Partner under this Section 6.10(c).

6.11. Insurable Interest. Each Partner acknowledges and agrees that the Partnership has an insurable interest in him, within the meaning of Virginia Code § 38.2-301 (or the corresponding provision of any other applicable law), including a lawful and substantial economic interest in his life, health, and bodily safety. Each Partner further agrees that the Partnership may procure insurance on his life, including insurance against death or disablement by accident. All incidents of ownership in such insurance, including the right to designate and change the beneficiary thereof, shall be vested exclusively in the Partnership. By becoming a party to this Agreement, each Partner agrees that the Partnership will be the beneficiary of any such insurance policy and, to the extent necessary, designates the Managing Partner or his designee as agent to make or sign any required beneficiary designation forms. Each Partner or Senior Counsel, for himself, his executors, heirs and assigns, further agrees to pay to the Partnership all amounts received by him, his heirs, estate, personal representatives, designated beneficiaries or others on account of his death with respect to any insurance policy owned by the Partnership.

6.12. Reimbursable Expenses. Except as in accordance with established practice and pre-approved budgets administered by the Managing Partner, no Partner shall charge to the Partnership any expenses without the consent of the Managing Partner.

6.13. Community Property Interests of Partners.

(a) Disposal by a spouse of a Partner of any community property interest in the Partnership to anyone other than such Partner shall be void.

(b) Upon the divorce of a Partner, the Partner may purchase the community interest of the Partner's spouse for an amount equal to one-half of the sum of the undistributed profit of such Partner's Participation Right in the net income, if any, of the Partnership for the current fiscal year to the last day of the month in which the divorce is effective, less any amounts previously distributed or advanced with respect thereto. The net income of the Partnership for purposes of this provision shall be determined based upon the Partnership's normal accounting principles theretofore applied, with no value assigned to goodwill, accounts receivable, work in progress or unbilled services. If such Partner elects not to purchase the spouse's community property interest in the Partnership, the Partnership may purchase such interest. Any such payment by the Partnership in payment of such community property interest shall be considered as a loan to the Partner of the spouse whose community property interest is being so purchased, with repayment, interest and other terms therefor being as established by the Executive Committee in its sole discretion.

(c) At the death of the spouse of a Partner, the community property interest of the spouse in the Partnership shall pass to such Partner.

6.14. Hunton & Williams Supplemental Retirement Plan. Benefits payable under the Hunton & Williams Supplemental Retirement Plan (the "SRP") adopted by the Executive Committee March 27, 2003, for any fiscal year may not exceed 1.8% of Available Income, as defined in Section 6.06(d) of the Agreement. No less frequently than every four years, the Executive Committee shall review the SRP to determine (i) if the \$100,000 cap continues to be

reasonably consistent with the value and purpose thereof as contemplated at March 31, 2003, and (ii) to the extent aggregate benefits payable under the SRP equal or otherwise would exceed 1.8% of Available Income, whether the duration or amount of the benefit should be adjusted so that the projected aggregate benefits payable under the SRP will not reasonably thereafter be likely to equal or exceed the 1.8% cap. In each such case, the Executive Committee shall cause any appropriate adjustments to be made to the SRP and, to the extent applicable, propose an amendment to the Agreement.

## ARTICLE VII

### DEATH AND WITHDRAWAL

#### 7.01. Death.

(a) When any Partner or Senior Counsel dies, his interest in the Partnership and its assets at the date of death, in lieu of any other rights which he or his estate might otherwise have therein, shall be only as set forth in subsections (a) and (b) of Section 6.06 and in this Section 7.01, but not otherwise. The interest of each deceased Partner or Senior Counsel at the date of death shall remain in the continuing Partnership until paid as provided in this Agreement.

(b) Upon the death of a Partner, other than one who has attained Senior Counsel status, the continuing Partnership shall, as a condition of its rights hereunder, make payments, in full redemption of the deceased Partner's interest in the Partnership, as follows:

(i) Pay to the estate of each deceased Partner the amount of his share of Partners' capital as shown on the books of the Partnership as at the close of business on the last day of the month in which he dies less any amount due the Partnership under Section 6.04.



(ii) Pay to the estate, or in such other manner as may be provided in a writing signed by the Partner and delivered to the Managing Partner, of each deceased Participating Partner a sum equal to 150% of the average of such deceased Partner's Earnings for the last three fiscal years preceding the fiscal year in which his death occurs. In the event that a deceased Participating Partner has been a Salaried Partner, Counsel, or associate with the Partnership for all of the three fiscal years prior to the fiscal year in which his death occurs, the amount payable by the continuing Partnership shall be computed as if the salary and bonus, if any, paid to him while he was a Salaried Partner, Counsel, or associate were his Earnings.

(iii) Pay to the estate, or in such other manner as may be provided in a writing signed by the Partner and delivered to the Managing Partner, of each deceased Salaried Partner a sum equal to 150% of the average of his Earnings for the last three fiscal years preceding the fiscal year in which his death occurs, whether such earnings shall have been received as an associate, Counsel or Partner.

(iv) Payments provided for in subsections (i), (ii) and (iii) hereof shall be made in quarter-annual or more frequent installments over a period of not more than five years from the end of the calendar month in which the death occurred, but the Executive Committee may advance these dates to any extent it may determine in its discretion.

(v) The period from the beginning of the fiscal year in which any Participating Partner dies to the end of the calendar month of his death shall be deemed a special accounting period for the deceased Participating Partner and his estate shall be entitled to be paid (including payments made during such period prior to his death) a sum determined by the Executive Committee in its discretion to represent his fair proportionate share of net income of the Partnership for such accounting period.

(c) The Partnership will provide, at the expense of the Partnership, a normal accident insurance policy on each Partner until he attains Senior Counsel status, providing for a payment on death as the result of an accident of a sum equal to 150% of the average of each such deceased Participating Partner's Earnings for the last three fiscal years preceding the fiscal year in which his death occurs, plus \$50,000, and a sum equal to 150% of the average amount of the Earnings of each such deceased Salaried Partner for the last three fiscal years preceding the fiscal year in which his death occurs, whether the salary and any bonus included therein shall have been received as an associate, Counsel, or Salaried Partner, plus \$50,000. Also, the Partnership may provide, at the expense of the Partnership, a normal accident insurance policy for such Senior Counsel as the Executive Committee may designate providing for coverage in such amounts as the Executive Committee may determine. The proceeds of any such policy shall in each case be payable to the deceased Partner's or Senior Counsel's estate, unless he directs otherwise in writing to the Managing Partner, and the amount of insurance carried with respect to each Partner shall be readjusted annually to conform to the amount required pursuant to the provisions of this Agreement or the determinations of the Executive Committee as herein authorized. The receipt by the estate or beneficiary of a deceased Partner or other designee of the proceeds of any such policy shall relieve the Partnership of any obligation to make the payments otherwise required by subparagraphs (ii) or (iii) of subsection (b) of this section and shall reduce the payment required by subparagraph (i) thereof to the extent that such proceeds exceed the payments otherwise required by such subparagraphs (ii) and (iii). The amounts payable to the estate or beneficiary of any Senior Counsel pursuant to the second sentence of Section 6.06(a) or the

last sentence of Section 6.06(b) shall be reduced by the amount of the proceeds of any such policy paid to his estate or beneficiary.

(d) In the event that a deceased Partner shall not have been a Partner, Counsel, or associate with the Partnership for all of the three fiscal years prior to the fiscal year in which his death occurs, the amount to be paid under subsection (b) of this section shall be determined by the Executive Committee in its discretion but in no event shall be more than 150% nor less than 50% of his Earnings during the last preceding fiscal year.

7.02. Withdrawal. In the event that a Partner Withdraws from the Partnership, his interest in the Partnership and its assets at the effective date of Withdrawal, in lieu of any other rights which he or his estate might otherwise have therein, shall be only as set forth in this Section 7.02 and not otherwise. The interest in the Partnership of such Withdrawing Partner may not be assigned by him and shall remain in the continuing Partnership until redeemed as provided below and, in full redemption of such interest, the continuing Partnership shall make payment thereof as follows:

(a) Pay to such Withdrawing Partner the amount of his capital account as shown by the books of the Partnership as at the close of business on the last day of the fiscal year preceding the date on which he Withdraws less any amount due the Partnership under Section 6.04; and

(b) Pay to such Withdrawing Partner an amount equal to his Participation Right in the net income of the Partnership (as determined by the Executive Committee in its sole discretion) for the current fiscal year to the last day of the month in which he Withdraws (it being understood that this amount may be an addition to or, in the case of a net loss of the Partnership (as determined by the Executive Committee in its sole discretion) for the current

fiscal year to the last day of the month in which he withdraws, a subtraction from the amount payable pursuant to subsection (a) above).

The Executive Committee also shall be authorized, but not obligated, to pay such Withdrawing Partner a bonus, severance or similar payment in such amount as it shall determine, in its sole discretion, to recognize the contributions of such Withdrawing Partner to the Partnership, the circumstances of such Withdrawing Partner's withdrawal, or such other factors as it deems appropriate. The Executive Committee's decision to make, or not to make, any such payment in any one case shall not be deemed a standard or precedent for the making, or not making, of any such payments in similar or other cases, whether or not similar.

The payments provided for in this Section 7.02 may be made in quarter-annual or more frequent installments over a period of not more than five years from the end of the calendar month of Withdrawal, but the Executive Committee may advance these dates to any extent it may determine in its sole discretion or may defer the commencement of this installment period until payment in full or arrangements therefor satisfactory to the Executive Committee in its sole discretion have been made for all accounts receivable and unbilled progress for which the withdrawing Partner has any responsibility.

In case a Partner Withdraws and dies before the payments required by this Section 7.02 shall have been completed, his estate shall succeed to all his rights hereunder but shall have no other rights. For this purpose the term "estate" shall include not only the executors or administrators but also any persons who under the will of the deceased Partner or by law shall be entitled to receive the payments herein provided for.

7.03. Removal.

(a) A Partner shall be automatically removed, and his interest in the Partnership shall be thereupon terminated, upon the occurrence of an Event of Removal unless within 30 days after such occurrence this provision is waived and the Partner is continued as such, upon the recommendation of the Executive Committee, by the vote of a Majority in Interest and a Majority of the Partners.

(b) Any Partner may be removed upon the recommendation of the Executive Committee, with or without cause, by the vote of Two-Thirds in Interest and Three-Fourths of the Partners, and such removal shall become effective as of the date specified in such vote.

(c) The removal of a Partner pursuant to this Section 7.03 shall be deemed a Withdrawal by such removed Partner, effective as of the date of such removal, and such removed Partner shall be deemed a Withdrawing Partner for all purposes under this Agreement, except as set forth in Section 7.03(d) below.

(d) Upon such removal, the Withdrawing Partner shall be relieved of any Partnership obligations or liabilities, but shall remain liable for any costs, damages or expenses (including attorneys' and accountants' fees) incurred by the Partnership as a result of or arising from either the Withdrawal of the Withdrawing Partner or any Event of Removal to which such Withdrawal was related. The Partnership shall be entitled to offset against any payments otherwise due to such Withdrawing Partner under Section 7.02 any amount due the Partnership under Section 6.04 and the amount of any such costs, damages or expenses, or reserves therefor, in such amounts as the Executive Committee deems appropriate in its discretion, to

the extent any such costs, damages or expenses have not matured but are reasonably foreseen as of the date any such payment is due.

7.04. Severance Benefit. In addition to any other amounts due under this Agreement, in the event a Partner whose salary or share of Partnership income has been charged for the Partnership's contribution on his behalf to a qualified retirement plan separates from service for any reason (other than dishonesty or other moral turpitude) at a time and under circumstances as a result of which his accrued benefits under such plan will not vest, he shall be paid the portion of such accrued benefits equal to the aggregate amount charged to his salary or income for contributions to any such plan by the Partnership and actual earnings thereon as a severance benefit by the Partnership, within the time period provided in Section 6.02.

## ARTICLE VIII

### PARTNERSHIP MEETINGS

8.01. Meetings. There shall be regular meetings of the Partners at such times and places as the Executive Committee may determine. Partners shall participate in person or by telephone, videoconference facilities or other means of communication as approved by the Executive Committee. Special meetings may be called by the Chairman of the Executive Committee, the Managing Partner, or by any three Partners, in any case by giving the Partners at least 24 hours' written notice of the time, place and purpose of such meeting. The Chairman of the Executive Committee shall preside at all meetings of the Partners; but a temporary chairman shall be elected by the Partners to preside (i) when the Chairman of the Executive Committee is absent, or (ii) when the Partnership is considering a motion to reverse or revise action taken by the Executive Committee.

## ARTICLE IX

### AMENDMENT AND MISCELLANEOUS

9.01. Amendment. Any of the provisions of this Agreement may be changed in any way only as provided in Section 3.02 of this Agreement, or by a written agreement signed by Two-Thirds in Interest and a Majority of the Partners, but no such change shall adversely affect the right of any Partner or former Partner who has attained Senior Counsel status or who has Withdrawn or died or his estate without the consent of such Partner or former Partner or his estate, as appropriate. Amendments may be made by successive supplements to this Agreement, without re-executing the whole Agreement.

9.02. Securities. The policy of the Partnership with regard to purchases and sales of securities of or interests in corporations or other entities represented by the Partnership or certain other entities shall be as stated in Exhibit B hereto as at the time in effect with any changes therein that shall have been approved by the Executive Committee, and the Executive Committee is hereby empowered to make such changes therein from time to time as it may deem to be in the best interests of the Partnership.

9.03. Indemnification. The firm shall indemnify each firm lawyer, including Senior Counsel whether or not they have withdrawn under § 6.06(f) against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him in connection with any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative), where such expenses, judgments, fines or other amounts result from the fact that such person is or was providing services to or is or was serving as a fiduciary (as defined in Section 3(21) of the Employee Retirement Income Security Act of 1974, as amended (ERISA)) with regard to any employee

benefit plan (as defined in ERISA § 3(3)), or similar plan maintained by the Partnership: provided that this indemnity shall not apply to any person guilty of willful misconduct or knowing violation of the criminal law. Every reference in this Section to a lawyer shall include his heirs, executors and administrators.

The Executive Committee is authorized to grant such other indemnification of the firm's partners and employees as it deems proper.

9.04. Parties. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives and assigns. Additional Partners may become parties to this Agreement by signing supplements hereto, without any necessity for re-execution of the whole Agreement.

9.05. Counterparts. This Agreement is executed in several counterparts, each of which taken separately is an original and all of which taken together are one and the same instrument.

9.06. Special Provisions. Any special arrangements between the Partnership and any Partner or former Partner not included in this Agreement shall be confirmed in writing, retained by the Managing Partner, and made available for inspection by any Partner in the office of the Managing Partner or such other place as he may designate. Special arrangements made before November 29, 1997 are void, and are superseded by this Agreement.

9.07. Power of Attorney. By execution of this Agreement, each Partner hereby appoints the Chairman of the Executive Committee and the Managing Partner, with each having the authority to act separately, his attorney in fact to execute in his name and to acknowledge and file in any jurisdiction a partnership certificate or certificates in such form as such attorney in fact deems appropriate as evidenced by his execution thereof.



9.08. Tax Matters Partner; Partner Tax Compliance.

(a) The Managing Partner, or such other Partner as the Executive Committee may designate from time to time, shall be the Tax Matters Partner of the Partnership within the meaning of Section 6231(a)(7) of the Code. The Tax Matters Partner shall have the right to take all actions authorized and required, respectively, by the Code for the Tax Matters Partner. The Tax Matters Partner shall have the right to retain professional assistance with respect to any audit of the Partnership by the Internal Revenue Service, and all expenses and fees incurred by the Tax Matters Partner on behalf of the Partnership as Tax Matters Partner shall constitute Partnership expenses.

(b) Each Partner agrees to file all required returns and pay any and all taxes owed by him (based on his residence and domicile and the national and international jurisdictions in which the Partnership is subject to taxation as identified to the Partners by the Partnership) on a timely basis and in a manner reasonably believed to be in full compliance with applicable law at the time any such return is filed. Further, each Partner agrees to sign any and all forms as may be necessary to authorize the Tax Matters Partner or his or her designate to confirm such filings.

9.09. Effective Date. This Amended and Restated Agreement shall become effective as of the 1<sup>st</sup> day of April, 2003.

IN WITNESS WHEREOF the parties have made this Agreement effective as of the 1<sup>st</sup> day of April, 2003.