

account established for Richter Points to zero and thereafter shall reduce such Member's sub-accounts established for Holdbacks. Additionally, each Departed Non-Managing Member who became a Departed Non-Managing Member as a result of death, Permanent Disability, Retirement or termination by the Firm without Cause may, in the sole discretion of the Managing Member, continue to be allocated his share of any overall net loss in the General Pool and/or the overall net loss in the relevant Desk Pool(s) after becoming a Departed Non-Managing Member so that his share of such overall net loss will reduce such Departed Non-Managing Member's Capital Account (but in no event shall a Departed Non-Managing Member's Capital Account be reduced below zero). Overall net loss generally will be determined for this purpose by taking into account only the overall net loss in the General Pool or the relevant Desk Pool (in either case, taking into account only those Investments made by the Funds prior to such Member becoming a Departed Non-Managing Member) during the period commencing on the date such Member becomes a Departed Non-Managing Member and ending on the date that such Departed Non-Managing Member receives the final distributions with respect to his Capital Account. All other Departed Non-Managing Members may, in the sole discretion of the Managing Member, be allocated each year their share of any loss in the General Pool and the relevant Desk Pool(s) (including losses attributable to specific Investments) but shall not be allocated any share of any profit in either the General Pool or the Desk Pool(s).

(4) Catch-Up Incentive P&L. Notwithstanding anything to the contrary herein, the Managing Member may determine to allocate any portion of the Profit Share attributable to Catch Up Allocations over a period of as long as five years (as opposed to including 100% of such amount in the Profit Share for the year during which such Catch Up Allocations were made). In each year that a portion of a Catch Up Allocation is allocated,