
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2012

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 001-13459

Affiliated Managers Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

04-3218510
(IRS Employer Identification Number)

600 Hale Street, Prides Crossing, Massachusetts 01965
(Address of principal executive offices)

(617) 747-3300
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

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

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

Large accelerated filer Accelerated filer Non-accelerated filer
(Do not check if a smaller reporting company) Smaller reporting company

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

There were 51,348,128 shares of the registrant's common stock outstanding on August 2, 2012.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share data)

(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Revenue	\$ 462.3	\$ 429.6	\$ 888.5	\$ 847.2
Operating expenses:				
Compensation and related expenses	196.5	188.1	376.0	369.2
Selling, general and administrative	90.6	88.8	178.1	173.8
Intangible amortization and impairments	22.1	114.7	44.2	145.1
Depreciation and other amortization	3.8	3.6	7.6	7.1
Other operating expenses	9.3	9.4	17.7	18.2
	<u>322.3</u>	<u>404.6</u>	<u>623.6</u>	<u>713.4</u>
Operating income	<u>140.0</u>	<u>25.0</u>	<u>264.9</u>	<u>133.8</u>
Non-operating (income) and expenses:				
Investment and other (income) loss	6.1	(3.0)	(2.6)	(13.4)
Income from equity method investments	(20.1)	(13.4)	(30.3)	(27.9)
Interest expense	18.1	18.5	37.4	37.1
Imputed interest expense and contingent payment arrangements	8.3	(40.0)	16.6	(42.5)
	<u>12.4</u>	<u>(37.9)</u>	<u>21.1</u>	<u>(46.7)</u>
Income before income taxes	<u>127.6</u>	<u>62.9</u>	<u>243.8</u>	<u>180.5</u>
Income taxes	<u>26.6</u>	<u>2.0</u>	<u>53.4</u>	<u>26.6</u>
Net income	<u>101.0</u>	<u>60.9</u>	<u>190.4</u>	<u>153.9</u>
Net income (non-controlling interests)	<u>(55.5)</u>	<u>(54.3)</u>	<u>(105.9)</u>	<u>(109.9)</u>
Net income (controlling interest)	<u>\$ 45.5</u>	<u>\$ 6.6</u>	<u>\$ 84.5</u>	<u>\$ 44.0</u>
Average shares outstanding—basic	52.1	51.4	51.9	51.5
Average shares outstanding—diluted	53.4	52.7	53.3	52.8
Earnings per share—basic	\$ 0.87	\$ 0.13	\$ 1.63	\$ 0.85
Earnings per share—diluted	\$ 0.85	\$ 0.12	\$ 1.59	\$ 0.83

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions)

(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Net income	\$ 101.0	\$ 60.9	\$ 190.4	\$ 153.9
Other comprehensive income (loss):				
Foreign currency translation adjustment	2.2	(9.9)	16.4	4.5
Change in net realized and unrealized loss on derivative securities, net of tax	(1.5)	(0.5)	(0.8)	(0.6)
Change in net unrealized loss on investment securities, net of tax	(2.2)	(11.4)	(5.7)	(2.3)
Other comprehensive income (loss)	(1.5)	(21.8)	9.9	1.6
Comprehensive income	99.5	39.1	200.3	155.5
Comprehensive income (non-controlling interests)	(55.5)	(54.1)	(105.9)	(111.4)
Comprehensive income (loss) (controlling interest)	\$ 44.0	\$ (15.0)	\$ 94.4	\$ 44.1

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED BALANCE SHEETS

(in millions)

(unaudited)

	December 31, 2011	June 30, 2012
Assets		
Current assets:		
Cash and cash equivalents	\$ 449.5	\$ 311.0
Investment advisory fees receivable	214.9	248.5
Investments in marketable securities	100.4	105.6
Unsettled fund share receivables	34.5	43.7
Prepaid expenses and other current assets	77.1	66.7
Total current assets	<u>876.4</u>	<u>775.5</u>
Fixed assets, net	69.1	70.9
Equity investments in Affiliates	615.8	587.3
Acquired client relationships, net	1,321.1	1,631.2
Goodwill	2,117.3	2,342.0
Other assets	219.2	207.8
Total assets	<u>\$ 5,218.9</u>	<u>\$ 5,614.7</u>
Liabilities and Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 343.6	\$ 267.7
Unsettled fund share payables	40.8	46.8
Payables to related party	33.2	15.8
Total current liabilities	<u>417.6</u>	<u>330.3</u>
Senior bank debt	250.0	445.0
Senior convertible securities	435.6	442.8
Junior convertible trust preferred securities	512.6	514.0
Deferred income taxes	506.0	502.8
Other long-term liabilities	145.7	160.7
Total liabilities	<u>2,267.5</u>	<u>2,395.6</u>
Redeemable non-controlling interests	451.8	481.9
Equity:		
Common stock	0.5	0.5
Additional paid-in capital	927.5	898.5
Accumulated other comprehensive income	50.0	50.1
Retained earnings	1,176.7	1,220.7
	<u>2,154.7</u>	<u>2,169.8</u>
Less treasury stock, at cost	(288.7)	(312.2)
Total stockholders' equity	<u>1,866.0</u>	<u>1,857.6</u>
Non-controlling interests	633.6	879.6
Total equity	<u>2,499.6</u>	<u>2,737.2</u>
Total liabilities and equity	<u>\$ 5,218.9</u>	<u>\$ 5,614.7</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in millions)

(unaudited)

	Total Stockholders' Equity						
	Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Retained Earnings	Treasury Stock at Cost	Non- controlling interests	Total Equity
December 31, 2011	\$ 0.5	\$ 927.5	\$ 50.0	\$ 1,176.7	\$ (288.7)	\$ 633.6	\$ 2,499.6
Stock issued under option and other incentive plans	—	(15.2)	—	—	37.4	—	22.2
Tax benefit of option exercises	—	5.5	—	—	—	—	5.5
Changes in Affiliate equity value	—	(35.7)	—	—	—	10.8	(24.9)
Share-based payment arrangements	—	16.4	—	—	—	—	16.4
Distributions to non-controlling interests	—	—	—	—	—	(120.3)	(120.3)
Investments in Affiliates	—	—	—	—	—	244.1	244.1
Repurchase of common shares	—	—	—	—	(60.9)	—	(60.9)
Net income	—	—	—	44.0	—	109.9	153.9
Other comprehensive income	—	—	0.1	—	—	1.5	1.6
June 30, 2012	<u>\$ 0.5</u>	<u>\$ 898.5</u>	<u>\$ 50.1</u>	<u>\$ 1,220.7</u>	<u>\$ (312.2)</u>	<u>\$ 879.6</u>	<u>\$ 2,737.2</u>

The accompanying notes are an integral part of the Consolidated Financial Statements.

AFFILIATED MANAGERS GROUP, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)

(unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Cash flow from operating activities:				
Net income	\$ 101.0	\$ 60.9	\$ 190.4	\$ 153.9
Adjustments to reconcile Net income to net cash flow from operating activities:				
Intangible amortization and impairments	22.1	114.7	44.2	145.1
Amortization of issuance costs	1.8	1.8	4.4	3.7
Depreciation and other amortization	3.8	3.6	7.6	7.1
Deferred income tax provision	7.4	(15.5)	17.0	(2.0)
Imputed interest expense and contingent payment arrangements	8.3	(40.0)	16.6	(42.5)
Income from equity method investments, net of amortization	(20.1)	(13.4)	(30.3)	(27.9)
Distributions received from equity method investments	18.6	21.8	83.5	58.6
Tax benefit from exercise of stock options	—	0.3	0.8	0.7
Share-based compensation	5.9	7.9	12.0	16.1
Affiliate equity expense	3.7	4.9	7.2	7.1
Other adjustments	12.9	5.4	10.5	(0.6)
Changes in assets and liabilities:				
Increase in investment advisory fees receivable	(21.8)	(11.2)	(18.8)	(23.7)
(Increase) decrease in prepaids and other current assets	(0.6)	—	(3.0)	(9.1)
Increase in other assets	(0.7)	(0.4)	(2.3)	(0.9)
(Increase) decrease in unsettled fund shares receivable	12.0	35.5	(48.7)	(9.7)
Increase (decrease) in unsettled fund shares payable	(22.9)	(35.3)	31.5	6.3
Increase (decrease) in accounts payable, accrued liabilities and other long-term liabilities	48.0	42.4	(14.9)	(46.2)
Cash flow from operating activities	<u>179.4</u>	<u>183.4</u>	<u>307.7</u>	<u>236.0</u>
Cash flow used in investing activities:				
Investments in Affiliates	—	(405.3)	(13.3)	(405.3)
Purchase of fixed assets	(2.7)	(3.7)	(4.4)	(5.0)
Purchase of investment securities	(2.4)	(1.6)	(9.0)	(11.1)
Sale of investment securities	—	14.6	10.3	27.5
Cash flow used in investing activities	<u>(5.1)</u>	<u>(396.0)</u>	<u>(16.4)</u>	<u>(393.9)</u>
Cash flow from (used in) financing activities:				
Borrowings of senior bank debt	110.0	195.0	110.0	195.0
Repayments of senior bank debt	(155.0)	—	(275.0)	—
Issuance of common stock	5.7	7.3	20.9	22.4
Repurchase of common stock	—	(28.2)	—	(60.9)
Issuance costs	—	—	(7.7)	—
Excess tax benefit from exercise of stock options	—	1.3	4.9	4.8
Settlement of treasury lock	—	—	4.0	—
Note payments	(72.5)	(0.2)	(72.2)	(0.5)
Distributions to non-controlling interests	(12.4)	(37.6)	(81.0)	(119.6)
Affiliate equity issuances and repurchases	8.0	(6.1)	0.1	(23.0)
Cash flow from (used in) financing activities	<u>(116.2)</u>	<u>131.5</u>	<u>(296.0)</u>	<u>18.2</u>
Effect of foreign exchange rate changes on cash and cash equivalents	0.3	(1.6)	2.6	1.2
Net increase in cash and cash equivalents	58.4	(82.7)	(2.1)	(138.5)
Cash and cash equivalents at beginning of period	252.8	393.7	313.3	449.5
Cash and cash equivalents at end of period	<u>\$ 311.2</u>	<u>\$ 311.0</u>	<u>\$ 311.2</u>	<u>\$ 311.0</u>
Supplemental disclosure of non-cash financing activities:				
Notes received for Affiliate equity sales	\$ 2.1	\$ 2.0	\$ 11.6	\$ 3.0
Payables recorded for Affiliate equity purchases	5.9	2.4	12.9	13.6
Payables recorded under contingent payment arrangements	—	24.8	—	24.8

The accompanying notes are an integral part of the Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The consolidated financial statements of Affiliated Managers Group, Inc. ("AMG" or the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all of the disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments considered necessary for a fair statement of the results have been included. All intercompany balances and transactions have been eliminated. Certain reclassifications have been made to the prior period's financial statements to conform to the current period's presentation. Operating results for interim periods are not necessarily indicative of the results that may be expected for any other period or for the full year. The Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2011 includes additional information about AMG, its operations, financial position and accounting policies, and should be read in conjunction with this Quarterly Report on Form 10-Q.

All dollar amounts in these notes, except per share data in the text and tables herein, are stated in millions unless otherwise indicated.

2. Senior Bank Debt (see also Note 20 Subsequent Events)

The Company entered into a \$1.0 billion senior unsecured credit facility in November 2011 (the "credit facility"), consisting of a \$750.0 million revolving credit facility (the "revolver") and a \$250.0 million term loan (the "term loan"), the principal terms of which are similar to the Company's previous senior unsecured credit facility. The term loan and \$720.0 million of the revolver have a five-year maturity (maturing November 2016); the remaining \$30.0 million of the revolver matures in January 2015. Subject to certain conditions, the Company may increase the revolver and the term loan by up to \$150.0 million and \$250.0 million, respectively.

The credit facility is unsecured and contains financial covenants with respect to leverage and interest coverage, as well as customary affirmative and negative covenants, including limitations on indebtedness, liens, cash dividends, asset dispositions and fundamental corporate changes. As of June 30, 2012, the Company was in compliance with all terms of its credit facility.

As of December 31, 2011 and June 30, 2012, the Company had outstanding borrowings of \$250.0 million and \$445.0 million, respectively. As further described in Note 13, the Company has entered into interest rate swap contracts to exchange a fixed rate for the variable rate on a portion of its credit facility.

3. Convertible Securities

At June 30, 2012, the Company has one senior convertible security outstanding ("2008 senior convertible notes") and two junior convertible trust preferred securities outstanding, one issued in 2006 (the "2006 junior convertible trust preferred securities") and a second issued in 2007 (the "2007 junior

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

convertible trust preferred securities"). The carrying values of the Company's convertible securities are as follows:

	December 31, 2011		June 30, 2012	
	Carrying Value	Principal amount at maturity	Carrying Value	Principal amount at maturity
Senior convertible securities:				
2008 senior convertible notes ⁽¹⁾	\$ 435.6	\$ 460.0	\$ 442.8	\$ 460.0
Junior convertible trust preferred securities:				
2007 junior convertible trust preferred securities ⁽¹⁾	\$ 297.8	\$ 430.8	\$ 298.6	\$ 430.8
2006 junior convertible trust preferred securities ⁽¹⁾	214.8	300.0	215.4	300.0
Total junior convertible securities	\$ 512.6	\$ 730.8	\$ 514.0	\$ 730.8

- (1) Carrying value is accreted to the principal amount at maturity over an expected life of five years for the 2008 senior convertible notes and 30 years for each of the junior convertible trust preferred securities.

The principal terms of these securities are summarized below.

	2008 Senior Convertible Notes ⁽¹⁾	2007 Junior Convertible Trust Preferred Securities ⁽²⁾	2006 Junior Convertible Trust Preferred Securities ⁽³⁾
Issue date	August 2008	October 2007	April 2006
Maturity date	August 2038	October 2037	April 2036
Next potential put date	August 2013	N/A	N/A
Denomination	\$ 1,000	\$ 50	\$ 50
Current conversion rate	7.959	0.250	0.333
Current conversion price	\$ 125.65	\$ 200.00	\$ 150.00
Stated coupon	3.95%	5.15%	5.10%
Coupon frequency	Semi-annually	Quarterly	Quarterly
Tax deduction rate ⁽⁴⁾	9.38%	8.00%	7.50%

- (1) The Company may redeem the notes for cash (subject to the holders' rights to convert) at any time on or after August 15, 2013. The holders may require the Company to repurchase the notes in August of 2013, 2018, 2023, 2028 and 2033.
- (2) The Company may redeem the 2007 junior convertible trust preferred securities on or after October 15, 2012 if the closing price of the Company's common stock exceeds \$260 per share for a specified period of time.
- (3) The Company may redeem the 2006 junior convertible trust preferred securities if the closing price of the Company's common stock exceeds \$195 per share for a specified period of time.
- (4) These convertible securities are considered contingent payment debt instruments under federal income tax regulations, which require the Company to deduct interest in an

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

amount greater than its reported Interest expense. These deductions will result in deferred tax liabilities of approximately \$24.5 million in 2012. These deferred tax liabilities will be reclassified directly to stockholders' equity if the Company's common stock is trading above certain thresholds at the time of the conversion of the securities.

4. Forward Equity Sale Agreements (see also Note 20 Subsequent Events)

In July 2011, the Company entered into a forward equity sale agreement with two major securities firms under which it was authorized to sell shares of common stock with an aggregate sales price of up to \$300.0 million; no forward equity sales occurred under this arrangement.

5. Income Taxes

The consolidated income tax provision includes taxes attributable to the controlling interest and taxes attributable to non-controlling interests as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Controlling Interests:				
Current tax	\$ 16.4	\$ 14.3	\$ 30.0	\$ 22.3
Intangible related deferred taxes	12.9	(21.5)	25.8	(11.6)
Other deferred taxes	(5.0)	3.3	(7.8)	6.2
Total controlling interests	24.3	(3.9)	48.0	16.9
Non-Controlling Interests:				
Current tax	2.8	3.2	6.4	6.3
Deferred taxes	(0.5)	2.7	(1.0)	3.4
Total non-controlling interests	2.3	5.9	5.4	9.7
Provision for income taxes	\$ 26.6	\$ 2.0	\$ 53.4	\$ 26.6
Income before income taxes (controlling interest)	\$ 69.8	\$ 2.7	\$ 132.5	\$ 60.9
Effective tax rate attributable to controlling interests ⁽¹⁾	34.8%	(144.4)%	36.2%	27.8%

(1) Taxes attributable to the controlling interest divided by Income before income taxes (controlling interest).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

A summary of the consolidated provision for income taxes is as follows:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Current:				
Federal	\$ 7.0	\$ 1.4	\$ 13.2	\$ 2.4
State	1.7	2.5	4.9	5.1
Foreign	10.5	13.6	18.3	21.1
Total current	19.2	17.5	36.4	28.6
Deferred:				
Federal	9.2	(15.6)	20.6	(2.2)
State	0.5	(0.9)	1.1	0.2
Foreign	(2.3)	1.0	(4.7)	0.0
Total deferred	7.4	(15.5)	17.0	(2.0)
Provision for income taxes	\$ 26.6	\$ 2.0	\$ 53.4	\$ 26.6

During the quarter ended June 30, 2012, the Company reduced its deferred tax valuation allowance by \$4.2 million primarily related to indirect tax benefits from foreign tax positions.

The components of deferred tax assets and liabilities are as follows:

	December 31, 2011	June 30, 2012
Deferred Tax Assets		
State net operating loss carryforwards	\$ 26.5	\$ 25.9
Foreign tax credit carryforwards	15.1	14.2
Deferred compensation	17.5	20.5
Tax benefit of uncertain tax positions	11.6	17.1
Accrued expenses	11.6	3.7
Capital loss carryforwards	1.5	1.5
Total deferred tax assets	83.8	82.9
Valuation allowance	(35.6)	(30.4)
Deferred tax assets, net of valuation allowance	48.2	52.5
Deferred Tax Liabilities		
Intangible asset amortization	(247.1)	(245.0)
Convertible securities interest	(171.1)	(180.0)
Non-deductible intangible amortization	(127.2)	(123.2)
Deferred revenue	(5.6)	(4.1)
Other	(3.2)	(3.0)
Total deferred tax liabilities	(554.2)	(555.3)
Net deferred tax liability	\$ (506.0)	\$ (502.8)

Deferred tax liabilities are primarily the result of tax deductions for the Company's intangible assets and convertible securities. The Company amortizes most of its intangible assets for tax purposes only, reducing its tax basis below its carrying value for financial statement purposes and generating

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

deferred taxes each reporting period. The Company's 2008 senior convertible notes and junior convertible trust preferred securities also generate deferred tax liabilities because the Company's tax deductions are higher than the interest expense recorded for financial statement purposes.

At June 30, 2012, the Company has state net operating loss carryforwards that expire over a 15-year period beginning in 2011. The Company also has foreign tax credit carryforwards that expire over a 10-year period beginning in 2011. The valuation allowances at December 31, 2011 and June 30, 2012 were principally related to the Company's projections of taxable income prior to the expiration of these carryforwards.

As of June 30, 2012 the Company carried a liability for uncertain tax positions of \$27.1 million, including \$2.1 million for interest and related charges and \$16.0 million for foreign positions that would generate tax benefits in the United States, if settled. During the three months ended June 30, 2012, the Company increased this liability by \$5.1 million for positions taken on its foreign returns and recorded a corresponding deferred tax asset. The Company does not anticipate significant changes in this liability over the next twelve months.

The Company periodically has tax examinations in the United States and foreign jurisdictions. Examination outcomes, and any related settlements, are subject to significant uncertainty. The completion of examinations may result in the payment of additional taxes and/or the recognition of tax benefits.

6. Earnings Per Share

The calculation of basic earnings per share is based on the weighted average number of shares of the Company's common stock outstanding during the period. Diluted earnings per share is similar to basic earnings per share, but adjusts for the dilutive effect of the potential issuance of incremental shares of the Company's common stock. The following is a reconciliation of the numerator and denominator used in the calculation of basic and diluted earnings per share available to common stockholders.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Numerator:				
Net income (controlling interest)	\$ 45.5	\$ 6.6	\$ 84.5	\$ 44.0
Denominator:				
Average shares outstanding—basic	52.1	51.4	51.9	51.5
Effect of dilutive instruments:				
Stock options and other awards	1.3	1.3	1.4	1.3
Average shares outstanding—diluted	53.4	52.7	53.3	52.8

As more fully discussed in Note 3, the Company had convertible securities outstanding during the periods presented and is required to apply the if-converted method to these securities in its calculation of diluted earnings per share. Under the if-converted method, shares that are issuable upon conversion are deemed outstanding, regardless of whether the securities are contractually convertible into the Company's common stock at that time. For this calculation, the interest expense (net of tax) attributable to these dilutive securities is added back to Net income (controlling interest), reflecting the assumption that the securities have been converted. Issuable shares for these securities and related

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

interest expense are excluded from the calculation if an assumed conversion would be anti-dilutive to diluted earnings per share.

For the three and six months ended June 30, 2012, the Company repurchased approximately 0.2 million and 0.6 million, respectively shares of common stock under the share repurchase programs approved by the Company's Board of Directors.

The diluted earnings per share calculations in the table above exclude the anti-dilutive effect of the following shares:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Stock options and other awards	0.6	1.2	0.6	1.2
Senior convertible securities	3.7	3.7	3.7	3.7
Junior convertible trust preferred securities	4.1	4.1	4.1	4.1

As discussed further in Note 17, the Company may settle portions of its Affiliate equity purchases in shares of its common stock. Because it is the Company's intent to settle these potential repurchases in cash, the calculation of diluted earnings per share excludes any potential dilutive effect from possible share settlements.

7. Commitments and Contingencies

The Company and its Affiliates are subject to claims, legal proceedings and other contingencies in the ordinary course of their business activities. Each of these matters is subject to various uncertainties, and it is possible that some of these matters may be resolved in a manner unfavorable to the Company or its Affiliates. The Company and its Affiliates establish accruals for matters for which the outcome is probable and the amount of the liability can be reasonably estimated. Management believes that any liability in excess of these accruals upon the ultimate resolution of these matters will not have a material adverse effect on the Company.

Certain Affiliates operate under regulatory authorities which require that they maintain minimum financial or capital requirements. Management is not aware of any significant violations of such financial requirements occurring during the period.

In connection with its investment in Pantheon Ventures, the Company has committed to co-invest in certain investment partnerships where it serves as the general partner. As of June 30, 2012, these commitments totaled approximately \$73.0 million and may be called in future periods. Russell Investments (Pantheon Ventures' former owner) is contractually obligated to reimburse the Company for \$39.8 million of these commitments if they are called.

Under past acquisition agreements, the Company is contingently liable, upon achievement of specified financial targets, to make payments of up to \$568.1 million through 2017. As of June 30, 2012, the Company expects to make payments of \$95.8 million to settle these contingent obligations from 2012 to 2017 (these expected payments have a net present value of \$65.7 million), of which \$43.2 million is expected to be settled in the fourth quarter of 2012 and the remainder to be settled between 2015 and 2017. For the three months ended June 30, 2012, the Company reduced its current estimate of payments to be made under these agreements and recognized a gain of \$47.4 million (\$34.6 million attributable to the controlling interest). For the six months ended June 30, 2012, the Company recognized a gain of \$57.3 million (\$39.6 million attributable to the controlling interest). These gains

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

have been classified within Imputed interest expense and contingent payment arrangements in the Consolidated Statements of Income.

8. Investments

Investments in Marketable Securities

Investment in marketable securities at December 31, 2011 and June 30, 2012 were \$100.4 million and \$105.6 million, respectively. These investments are comprised of the Company's investments in Value Partners Group Limited ("Value Partners"), a publicly-traded asset management firm based in Hong Kong, and investments held by Affiliates.

Available-for-Sale Investments

The following is a summary of the cost, gross unrealized gains and losses and fair value of investments classified as available-for-sale at December 31, 2011 and June 30, 2012:

December 31, 2011

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Equity securities	\$ 97.6	\$ 1.4	\$ (12.7)	\$ 86.3

June 30, 2012

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Equity securities	\$ 95.2	\$ 6.8	\$ (15.7)	\$ 86.3

As of June 30, 2012, the Company has invested \$66.0 million in Value Partners, representing 7.8% of the outstanding common stock. In the second quarter of 2012, the investment in Value Partners declined, resulting in an unrealized loss at June 30, 2012. The Company intends to hold this investment for a reasonable period of time sufficient for a forecasted recovery of fair value.

The following is a summary of the Company's realized gains and losses on investments classified as available-for-sale:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Gains	\$ —	\$ —	\$ 0.2	\$ —
Losses	—	—	—	—
Net realized gains	\$ —	\$ —	\$ 0.2	\$ —

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Trading Securities

The following is a summary of the cost, gross unrealized gains and losses and fair value of investments classified as trading securities at December 31, 2011 and June 30, 2012:

December 31, 2011

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Equity securities	\$ 13.5	\$ 0.9	\$ (0.3)	\$ 14.1

June 30, 2012

	Cost	Gross Unrealized		Fair Value
		Gains	Losses	
Equity securities	\$ 8.2	\$ 11.2	\$ (0.1)	\$ 19.3

The following is a summary of the Company's realized gains and losses on investments classified as trading securities:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Gains	\$ —	\$ 0.1	\$ 0.4	\$ 0.6
Losses	(0.1)	—	(0.4)	(0.3)
Net realized gains (losses)	\$ (0.1)	\$ 0.1	\$ —	\$ 0.3

Other Investments

Other investments consist of investments in funds advised by Affiliates. As of December 31, 2011 and June 30, 2012, the Company's other investments were \$145.3 million and \$156.7 million, respectively. These assets are reported within Prepaid expenses and other current assets (\$31.2 million and \$32.6 million at December 31, 2011 and June 30, 2012, respectively) and Other assets (\$114.1 million and \$124.1 million at December 31, 2011 and June 30, 2012, respectively) in the Consolidated Balance Sheets. The income or loss related to these investments is classified within Investment and other income in the Consolidated Statements of Income.

9. Fair Value Measurements

The Company determines the fair value of certain investment securities and other financial and nonfinancial assets and liabilities. Fair value is determined based on the price that would be received for an asset or paid to transfer a liability in the principal market for the asset or liability, or absent a principal market, the most advantageous market for the asset or liability, utilizing a hierarchy of three different valuation techniques:

Level 1—Unadjusted quoted market prices for identical instruments in active markets;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Level 2—Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs, or significant value drivers, are observable; and

Level 3—Prices reflect the Company's own assumptions concerning unobservable inputs to the valuation model. These inputs require significant management judgment and reflect the Company's assumptions that market participants would use in pricing the asset or liability.

The following table summarizes the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

	December 31, 2011	Fair Value Measurements		
		Level 1	Level 2	Level 3
Financial Assets				
Cash equivalents	\$ 23.2	\$ 23.2	\$ —	\$ —
Investments in marketable securities ⁽¹⁾				
Trading securities	14.1	14.1	—	—
Available-for-sale securities	86.3	86.3	—	—
Other investments ⁽²⁾	145.3	31.1	10.8	103.4
Financial Liabilities				
Contingent payment arrangements ⁽³⁾	\$ 87.1	\$ —	\$ —	\$ 87.1
Obligations to related parties ⁽⁴⁾	92.0	—	—	92.0
Interest rate derivatives ⁽⁵⁾	2.9	—	2.9	—

	June 30, 2012	Fair Value Measurements		
		Level 1	Level 2	Level 3
Financial Assets				
Cash equivalents	\$ 12.2	\$ 12.2	\$ —	\$ —
Investments in marketable securities ⁽¹⁾				
Trading securities	19.3	19.3	—	—
Available-for-sale securities	86.3	86.3	—	—
Other investments ⁽²⁾	156.7	30.3	13.4	113.0
Financial Liabilities				
Contingent payment arrangements ⁽³⁾	\$ 62.5	—	—	62.5
Obligations to related parties ⁽⁴⁾	79.5	—	—	79.5
Interest rate derivatives ⁽⁵⁾	3.8	—	3.8	—

(1) Principally investments in equity securities.

(2) Other investments are reported within Prepaid expenses and other current assets and Other assets.

(3) Net present value of expected payments under contingent payment arrangements are reported in Accounts payable and accrued liabilities and Other long-term liabilities.

(4) Obligations to related parties are presented within Payables to related party and Other long-term liabilities.

(5) Interest rate derivatives are presented within Other long-term liabilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following is a description of the significant assets and liabilities measured at fair value and the fair value methodologies used.

Cash equivalents consist primarily of highly liquid investments in money market funds. Cash investments in actively traded money market funds are classified as Level 1.

Investments in marketable securities consist primarily of investments in publicly traded securities and in funds advised by Affiliates which are valued using net asset value ("NAV"). Publicly traded securities and investments in actively traded funds that calculate daily NAVs are classified as Level 1.

Other investments are valued using NAV. Investments in actively traded funds that calculate daily NAVs are classified as Level 1. Investments in funds that permit redemptions monthly or quarterly are classified as Level 2. Investments in funds that are subject to longer redemption restrictions are classified as Level 3. The fair value of Level 3 assets is determined using NAV one quarter in arrears (adjusted for current period calls and distributions).

Interest rate derivatives include interest rate swaps. The fair value of these assets is determined by model-derived valuations in which all significant inputs were observable in active markets.

Contingent payment arrangements represent the present value of the expected future settlement of contingent payment arrangements related to the Company's investments in Affiliates. The significant unobservable inputs used in the fair value measurement of these obligations are growth and discount rates. Increases in the growth rate would result in a higher obligation while an increase in the discount rate would result in a lower obligation.

Obligations to related parties include agreements to repurchase Affiliate equity and liabilities offsetting certain investments which are held by the Company but economically attributable to a related party. The significant unobservable inputs used in the fair value measurement of the agreements to repurchase Affiliate equity are growth and discount rates. Increases in the growth rate would result in a higher obligation while an increase in the discount rate would result in a lower obligation. The liability to a related party is measured based upon certain investments held by the Company, the fair value of which is determined using NAV.

The following table presents certain quantitative information about the significant unobservable inputs used in valuing our Level 3 financial liabilities:

	Quantitative Information about Level 3 Fair Value Measurements			
	Fair Value at June 30, 2012	Valuation Techniques	Unobservable Input	Range
Contingent payment arrangements	\$ 62.5	Discounted cash flow	Growth rates Discount rates	7.0% - 10.0% 15.0% - 18.0%
Affiliate equity repurchase obligations	14.1	Discounted cash flow	Growth rates Discount rates	8.5% - 17.0% 16.0% - 24.0%

AFFILIATED MANAGERS GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table presents the changes in Level 3 financial assets and financial liabilities for the three and six months ended June 30, 2011 and 2012:

Level 3 Financial Assets and Financial Liabilities at Fair Value							
	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Three Months Ended June 30, 2011							
Other investments	\$ 93.6	\$ (0.1) ⁽¹⁾	\$ 4.9 ⁽¹⁾	\$ 5.8	\$ (2.2)	\$ —	\$ 102.0
Contingent payment arrangements	83.0	—	4.0 ⁽²⁾	—	(1.7)	—	85.3
Obligations to related parties	67.9	0.3 ⁽³⁾	1.1 ⁽³⁾	3.4	(1.5)	—	71.2

Level 3 Financial Assets and Financial Liabilities at Fair Value							
	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Three Months Ended June 30, 2012							
Other investments	\$ 107.5	\$ (0.9) ⁽¹⁾	\$ 3.6 ⁽¹⁾	\$ 5.2	\$ (2.4)	\$ —	\$ 113.0
Contingent payment arrangements	83.1	—	(45.4) ⁽²⁾	24.8	—	—	62.5
Obligations to related parties	77.6	0.7 ⁽³⁾	(0.2) ⁽³⁾	6.0	(4.6)	—	79.5

Level 3 Financial Assets and Financial Liabilities at Fair Value							
	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Six Months Ended June 30, 2011							
Other investments	\$ 85.8	\$ 1.0 ⁽¹⁾	\$ 10.5 ⁽¹⁾	\$ 8.6	\$ (3.9)	\$ —	\$ 102.0
Contingent payment arrangements	77.6	—	9.4 ⁽²⁾	—	(1.7)	—	85.3
Obligations to related parties	79.6	0.6 ⁽³⁾	3.6 ⁽³⁾	13.0	(25.6)	—	71.2

Level 3 Financial Assets and Financial Liabilities at Fair Value							
	Balance, beginning of period	Net realized gains/losses	Net unrealized gains/losses relating to instruments still held at the reporting date	Purchases and issuances	Settlements and reductions	Net transfers in and/or out of Level 3	Balance, end of period
Six Months Ended June 30, 2012							
Other investments	\$ 103.4	\$ (1.7) ⁽¹⁾	\$ 6.1 ⁽¹⁾	\$ 10.0	\$ (4.8)	\$ —	\$ 113.0
Contingent payment arrangements	87.1	—	(49.4) ⁽²⁾	24.8	—	—	62.5
Obligations to related parties	92.0	0.5 ⁽³⁾	0.8 ⁽³⁾	20.3	(34.1)	—	79.5

- (1) Gains and losses on Other investments are recorded in Investment and other income.
- (2) Accretion and changes to payment estimates under the Company's contingent payment arrangements are recorded in Imputed interest expense and contingent payment arrangements and foreign currency translation adjustments related to such arrangements are recorded as Other comprehensive income.
- (3) Gains and losses associated with agreements to repurchase Affiliate equity are recorded in Imputed interest expense and contingent payment arrangements. Gains and losses related to liabilities offsetting certain investments are recorded in Investment and other income.

During the three months ended June 30, 2012, no financial assets were transferred from Level 1 to Level 2. During the six months ended June 30, 2012, financial assets valued at \$2.0 million were transferred from Level 1 to Level 2. There were no significant transfers of financial assets or liabilities in the three and six months ended June 30, 2011.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The Company relies on the NAV of certain investments as their fair value. The NAVs have been derived from the fair values of the underlying investments as of the measurement dates. The following table summarizes, as of December 31, 2011 and June 30, 2012, the nature of these investments and any related liquidation restrictions or other factors which may impact the ultimate value realized:

Category of Investment	December 31, 2011		June 30, 2012	
	Fair Value	Unfunded Commitments	Fair Value	Unfunded Commitments
Private equity fund-of-funds ⁽¹⁾	\$ 103.4	\$ 80.5	\$ 113.0	\$ 73.0
Other funds ⁽²⁾	47.2	—	64.5	—
	<u>\$ 150.6</u>	<u>\$ 80.5</u>	<u>\$ 177.5</u>	<u>\$ 73.0</u>

(1) These funds primarily invest in a broad range of private equity funds, as well as making direct investments. Distributions will be received as the underlying assets are liquidated over the life of the funds, generally 15 years.

(2) These are multi-disciplinary funds that invest across various asset classes and strategies including long/short equity, credit and real estate. Investments are generally redeemable on a daily or quarterly basis.

There are no current plans to sell any of these investments.

The carrying value of senior bank debt approximates fair value because the debt is a credit facility with variable interest based on selected short-term rates. The fair market value of the 2008 senior convertible notes and the junior convertible trust preferred securities at June 30, 2012 were \$501.1 million and \$665.5 million, respectively. These securities are classified as Level 2 because the fair value was determined utilizing observable inputs in non-active markets.

10. Variable Interest Entities

Sponsored Investment Funds

The Company's Affiliates act as the investment manager for certain investment funds that are considered variable interest entities ("VIEs"). In addition to an Affiliate's involvement as the investment manager, Affiliates may also hold investments in these products. Affiliates are not the primary beneficiary of these VIEs as their involvement is limited to that of a service provider and their investment, if any, represents an insignificant interest in the fund's assets under management. As a result, the Company's variable interests will not absorb the majority of the variability of the entity's net assets and therefore the Company has not consolidated these entities.

Trust Preferred Vehicles

The Company established wholly-owned trusts in connection with the 2006 and 2007 issuances of junior convertible trust preferred securities. These entities are considered VIEs and the Company is not the primary beneficiary, therefore these entities are not consolidated in the Company's financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The net assets and liabilities of these unconsolidated VIEs and the Company's maximum risk of loss related thereto are as follows:

	December 31, 2011		June 30, 2012	
	Unconsolidated VIE Net Assets	Carrying Value and Maximum Exposure to Loss	Unconsolidated VIE Net Assets	Carrying Value and Maximum Exposure to Loss
Sponsored investment funds	\$ 3,618.4	\$ 1.1	\$ 6,591.8	\$ 1.7
Trust preferred vehicles	9.0	9.0	9.0	9.0

11. Related Party Transactions

The Company periodically records amounts receivable and payable to Affiliate partners in connection with the transfer of Affiliate equity interests. The Company also has liabilities to related parties for deferred purchase price and contingent payment arrangements in connection with certain business combinations as well as liabilities offsetting certain investments which are held by the Company but economically attributable to a related party.

The total receivable at December 31, 2011 was \$41.3 million, of which \$1.4 million is included in Prepaid expenses and other current assets and \$39.9 million is included in Other assets. The total receivable at June 30, 2012 was \$40.5 million, of which \$3.0 million is included in Prepaid expenses and other current assets and \$37.5 million is included in Other assets. The total payable as of December 31, 2011 was \$147.5 million, of which \$33.2 million is included in current liabilities and \$114.3 million is included in Other long-term liabilities. The total payable as of June 30, 2012 was \$133.9 million, of which \$15.8 million is included in current liabilities and \$118.1 million is included in Other long-term liabilities.

In certain cases, Affiliate management owners and Company officers may serve as trustees or directors of certain mutual funds from which the Affiliate earns advisory fee revenue.

12. Stock Option and Incentive Plans

The following summarizes the transactions of the Company's stock option and incentive plans for the six months ended June 30, 2012:

	Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Unexercised options outstanding—January 1, 2012	5.1	\$ 68.18	
Options granted	0.0	107.63	
Options exercised	(0.4)	52.02	
Options forfeited	(0.0)	116.35	
Unexercised options outstanding—June 30, 2012	4.7	69.68	4.1
Exercisable at June 30, 2012	2.5	63.47	3.4

The Company's Net income (controlling interest) for the three and six months ended June 30, 2011 includes compensation expense of \$3.6 million and \$7.4 million, respectively (net of income tax benefits of \$2.2 million and \$4.6 million, respectively) related to the Company's Stock Option and Incentive, Executive Incentive, Long-Term Equity Interests and Deferred Compensation Plans as

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

compared to compensation expense of \$4.9 million and \$9.9 million, (net of income tax benefits of \$3.0 million and \$6.1 million) for the three and six months ended June 30, 2012. As of June 30, 2012, the Company expects to recognize compensation expense related to these share-based compensation arrangements of \$63.9 million over a weighted average period of approximately three years (assuming no forfeitures). As of June 30, 2012, no outstanding options have expiration dates prior to the end of 2012.

13. Derivative Financial Instruments

From time to time, the Company seeks to offset its exposure to changing interest rates under its debt financing arrangements by entering into interest rate hedging contracts. The Company does not hold or issue derivative financial instruments for speculative purposes.

In 2010, the Company entered into interest rate swap contracts as summarized in the table below:

	<u>Notional Amount</u>	<u>Paying</u>	<u>Receiving</u>	<u>Start Date</u>	<u>Expiration Date</u>
Counterparty A	\$ 25.0	1.67%	3-Month LIBOR	October 2010	October 2015
Counterparty A	\$ 25.0	1.65%	3-Month LIBOR	October 2010	October 2015
Counterparty B	\$ 25.0	1.59%	3-Month LIBOR	October 2010	October 2015
Counterparty B	\$ 25.0	2.14%	3-Month LIBOR	October 2010	October 2017

During 2010 and 2011, the Company entered into a series of treasury rate lock contracts with a total notional value of \$175.0 million which were settled in February 2011 and October 2011 for a net pre-tax loss of \$0.7 million. These contracts were intended to hedge the variability of forecasted interest payments on a fixed-rate debt issuance, the first of which was forecasted to occur by June 2012. The net loss on these contracts is reflected as a component of Other comprehensive income and will be reclassified to earnings over the life of the debt or as it becomes probable that the hedged interest rate payments will not occur.

The Company's derivative contracts contain provisions that may require the Company or the counterparties to post collateral based upon the current fair value of the derivative contracts. As of June 30, 2012, the Company had posted collateral of \$4.4 million related to its interest rate swap contracts.

The Company records all derivative instruments on the balance sheet at fair value. As cash flow hedges, the effective portion of the unrealized gain or loss on the derivative instruments is recorded in accumulated other comprehensive income as a separate component of stockholders' equity. Hedge effectiveness is measured by comparing the present value of the cumulative change in the expected future variable cash flows of the hedged contract with the present value of the cumulative change in the expected future variable cash flows of the hedged item. To the extent that the critical terms of the hedged item and the derivative are not identical, hedge ineffectiveness would be reported in earnings as Interest expense. Hedge ineffectiveness was not material in any periods presented. The Company does not expect to reclassify a significant portion of the losses related to these derivative contracts into earnings in the next twelve months.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following summarizes the location and amount of derivative instrument gains and losses (before taxes) reported in the Consolidated Statements of Comprehensive Income:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Cash Flow Hedges				
Interest rate swaps	\$ (2.4)	\$ (0.8)	\$ (1.8)	\$ (0.9)
Treasury rate locks	—	—	0.5	—
Total	<u>\$ (2.4)</u>	<u>\$ (0.8)</u>	<u>\$ (1.3)</u>	<u>\$ (0.9)</u>

The following summarizes the location and fair values of derivative instruments on the Consolidated Balance Sheets:

	December 31, 2011	June 30, 2012
Cash Flow Hedges		
Interest rate swaps ⁽¹⁾	\$ (2.9)	\$ (3.8)

(1) Presented within Other long-term liabilities.

14. Segment Information

Management has assessed and determined that the Company operates in three business segments representing the Company's three principal distribution channels: Mutual Fund, Institutional and High Net Worth, each of which has different client relationships.

Revenue in the Mutual Fund distribution channel is earned from advisory and sub-advisory relationships with all domestically-registered investment products as well as non-institutional investment products that are registered abroad. Revenue in the Institutional distribution channel is earned from relationships with public and private client entities, including pension plans, foundations, endowments and sovereign wealth funds. Revenue in the High Net Worth distribution channel is earned from relationships with wealthy individuals, family trusts and managed account programs.

Revenue earned from client relationships managed by Affiliates accounted for under the equity method is not consolidated with the Company's reported Revenue but instead is included (net of operating expenses, including amortization) in Income from equity method investments, and reported in the distribution channel in which the Affiliate operates. Income tax attributable to the profits of the Company's equity method Affiliates is reported within the Company's consolidated income tax provision.

In firms with revenue sharing arrangements, a certain percentage of revenue is allocated for use by management of an Affiliate in paying operating expenses of that Affiliate, including salaries and bonuses, and is called an "Operating Allocation." In reporting segment operating expenses, Affiliate expenses are allocated to a particular segment on a pro rata basis with respect to the revenue generated by that Affiliate in such segment. Generally, as revenue increases, additional compensation is typically paid to Affiliate management partners from the Operating Allocation. As a result, the contractual expense allocation pursuant to a revenue sharing arrangement may result in the

AFFILIATED MANAGERS GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

characterization of any growth in profit margin beyond the Company's Owners' Allocation as an operating expense. All other operating expenses (excluding intangible amortization) and interest expense have been allocated to segments based on the proportion of cash flow distributions reported by Affiliates in each segment.

Statements of Income

	For the Three Months Ended June 30, 2011			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	\$ 192.5	\$ 233.9	\$ 35.9	\$ 462.3
Operating expenses:				
Depreciation and other amortization	4.0	19.8	2.1	25.9
Other operating expenses	130.0	144.2	22.2	296.4
	134.0	164.0	24.3	322.3
Operating income	58.5	69.9	11.6	140.0
Non-operating (income) and expenses:				
Investment and other (income) loss	(1.2)	(4.5)	11.8	6.1
(Income) loss from equity method investments	0.9	(19.9)	(1.1)	(20.1)
Interest expense	5.5	11.0	1.6	18.1
Imputed interest and contingent payment arrangements	4.5	3.3	0.5	8.3
	9.7	(10.1)	12.8	12.4
Income (loss) before income taxes	48.8	80.0	(1.2)	127.6
Income taxes	11.0	17.4	(1.8)	26.6
Net income	37.8	62.6	0.6	101.0
Net income (non-controlling interests)	(19.0)	(32.4)	(4.1)	(55.5)
Net income (loss) (controlling interest)	\$ 18.8	\$ 30.2	\$ (3.5)	\$ 45.5

AFFILIATED MANAGERS GROUP, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	For the Three Months Ended June 30, 2012			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	\$ 173.3	\$ 219.5	\$ 36.8	\$ 429.6
Operating expenses:				
Depreciation and other amortization	97.7	18.8	1.8	118.3
Other operating expenses	123.3	139.8	23.2	286.3
	<u>221.0</u>	<u>158.6</u>	<u>25.0</u>	<u>404.6</u>
Operating income (loss)	<u>(47.7)</u>	<u>60.9</u>	<u>11.8</u>	<u>25.0</u>
Non-operating (income) and expenses:				
Investment and other (income) loss	(0.3)	(3.0)	0.3	(3.0)
Income from equity method investments	(2.8)	(9.3)	(1.3)	(13.4)
Interest expense	5.9	10.9	1.7	18.5
Imputed interest and contingent payment arrangements	(22.7)	(17.5)	0.2	(40.0)
	<u>(19.9)</u>	<u>(18.9)</u>	<u>0.9</u>	<u>(37.9)</u>
Income (loss) before income taxes	<u>(27.8)</u>	<u>79.8</u>	<u>10.9</u>	<u>62.9</u>
Income taxes	<u>(18.1)</u>	<u>18.0</u>	<u>2.1</u>	<u>2.0</u>
Net income (loss)	<u>(9.7)</u>	<u>61.8</u>	<u>8.8</u>	<u>60.9</u>
Net income (non-controlling interests)	<u>(21.6)</u>	<u>(28.4)</u>	<u>(4.3)</u>	<u>(54.3)</u>
Net income (loss) (controlling interest)	<u>\$ (31.3)</u>	<u>\$ 33.4</u>	<u>\$ 4.5</u>	<u>\$ 6.6</u>

	For the Six Months Ended June 30, 2011			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	\$ 376.7	\$ 440.9	\$ 70.9	\$ 888.5
Operating expenses:				
Depreciation and other amortization	8.1	39.5	4.2	51.8
Other operating expenses	256.4	271.1	44.3	571.8
	<u>264.5</u>	<u>310.6</u>	<u>48.5</u>	<u>623.6</u>
Operating income	<u>112.2</u>	<u>130.3</u>	<u>22.4</u>	<u>264.9</u>
Non-operating (income) and expenses:				
Investment and other (income) loss	(3.5)	(9.5)	10.4	(2.6)
Income from equity method investments	(0.5)	(27.6)	(2.2)	(30.3)
Interest expense	11.8	22.2	3.4	37.4
Imputed interest and contingent payment arrangements	9.0	6.6	1.0	16.6
	<u>16.8</u>	<u>(8.3)</u>	<u>12.6</u>	<u>21.1</u>
Income before income taxes	<u>95.4</u>	<u>138.6</u>	<u>9.8</u>	<u>243.8</u>
Income taxes	<u>22.7</u>	<u>30.3</u>	<u>0.4</u>	<u>53.4</u>
Net income	<u>72.7</u>	<u>108.3</u>	<u>9.4</u>	<u>190.4</u>
Net income (non-controlling interests)	<u>(37.3)</u>	<u>(59.7)</u>	<u>(8.9)</u>	<u>(105.9)</u>
Net income (controlling interest)	<u>\$ 35.4</u>	<u>\$ 48.6</u>	<u>\$ 0.5</u>	<u>\$ 84.5</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

	For the Six Months Ended June 30, 2012			
	Mutual Fund	Institutional	High Net Worth	Total
Revenue	\$ 349.0	\$ 426.2	\$ 72.0	\$ 847.2
Operating expenses:				
Depreciation and other amortization	109.7	38.8	3.7	152.2
Other operating expenses	246.2	269.3	45.7	561.2
	<u>355.9</u>	<u>308.1</u>	<u>49.4</u>	<u>713.4</u>
Operating income	<u>(6.9)</u>	<u>118.1</u>	<u>22.6</u>	<u>133.8</u>
Non-operating (income) and expenses:				
Investment and other income	(4.3)	(8.1)	(1.0)	(13.4)
Income from equity method investments	(5.4)	(19.8)	(2.7)	(27.9)
Interest expense	12.0	21.8	3.3	37.1
Imputed interest and contingent payment arrangements	(27.9)	(15.2)	0.6	(42.5)
	<u>(25.6)</u>	<u>(21.3)</u>	<u>0.2</u>	<u>(46.7)</u>
Income before income taxes	<u>18.7</u>	<u>139.4</u>	<u>22.4</u>	<u>180.5</u>
Income taxes	<u>(7.5)</u>	<u>29.8</u>	<u>4.3</u>	<u>26.6</u>
Net income	<u>26.2</u>	<u>109.6</u>	<u>18.1</u>	<u>153.9</u>
Net income (non-controlling interests)	<u>(42.7)</u>	<u>(57.3)</u>	<u>(9.9)</u>	<u>(109.9)</u>
Net Income (loss) (controlling interest)	<u>\$ (16.5)</u>	<u>\$ 52.3</u>	<u>\$ 8.2</u>	<u>\$ 44.0</u>
Balance Sheet Information				
Total assets as of December 31, 2011	\$ 1,920.6	\$ 2,836.2	\$ 462.1	\$ 5,218.9
Total assets as of June 30, 2012	\$ 2,302.7	\$ 2,697.2	\$ 614.8	\$ 5,614.7

15. Business Combinations

Consistent with the Company's strategic objective to make investments in leading boutique investment and wealth management firms, the Company completed majority investments in Veritable, LP ("Veritable") and Yacktman Asset Management Co. ("Yacktman") on June 29, 2012.

Veritable, a leading wealth management firm, manages approximately \$11.0 billion for ultra-high-net-worth families. The Company's purchase price allocation is provisional and was performed using a financial model that includes assumptions of expected market performance, net client cash flows and discount rates. These provisional amounts may be revised upon completion of the final valuation. The excess of the enterprise value over the net assets acquired was recorded as goodwill, of which 100% was attributed to the Company's High Net Worth segment. The consideration paid (less net tangible assets acquired) will be deductible for U.S. tax purposes over a 15-year life.

With approximately \$17.0 billion of assets under management, Yacktman specializes in large-cap equities through a unique, value-oriented approach. The Company's purchase price allocation is provisional and was performed using a financial model that includes assumptions of expected market performance, net client cash flows and discount rates. These provisional amounts may be revised upon completion of the final valuation. The excess of the enterprise value over the net assets acquired was recorded as goodwill, of which 91% and 9% was attributed to the Company's Mutual Fund and High Net Worth segments, respectively. The consideration paid (less net tangible assets acquired) will be deductible for U.S. tax purposes over a 15-year life. As part of this investment, the Company is

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

contingently liable to make payments of up to \$75.0 million over the next three to five years upon the achievement of specified revenue targets. The Company projects contingent payments totaling \$52.6 million, and as of June 30, 2012, the present value of these payments was \$24.8 million.

The provisional purchase price allocations for these investments are as follows:

	Veritable	Yacktman
Consideration paid	\$ 116.8	\$ 301.0
Non-controlling interests	30.8	213.3
Contingent payment obligations	—	24.8
Enterprise value	<u>\$ 147.6</u>	<u>\$ 539.1</u>
Acquired client relationships	<u>\$ 85.1</u>	<u>\$ 367.5</u>
Tangible assets, net	2.7	9.0
Goodwill	59.8	162.6
	<u>\$ 147.6</u>	<u>\$ 539.1</u>

Unaudited pro forma financial results are set forth below, giving consideration to the Veritable and Yacktman investments, as if such transactions occurred as of January 1, 2011, assuming the revenue sharing arrangements had been in effect for the entire period and after making certain other pro forma adjustments.

	For the Six Months Ended June 30,	
	2011	2012
Revenue	\$ 936.6	\$ 922.7
Net income (controlling interest)	90.8	56.0
Earnings per share—basic	\$ 1.75	\$ 1.09
Earnings per share—diluted	\$ 1.70	\$ 1.06

The unaudited pro forma financial results are not necessarily indicative of the financial results had the investments been consummated at the beginning of the periods presented, nor are they necessarily indicative of the financial results expected in future periods. The pro forma financial results do not include the impact of transaction and integration related costs or benefits that may be expected to result from these investments.

Veritable and Yacktman's contribution to the Company's revenue and earnings in the quarter ended June 30, 2012 was not significant.

16. Goodwill and Acquired Client Relationships

Consolidated

The following table presents the change in goodwill during the six months ended June 30, 2012:

	Mutual Fund	Institutional	High Net Worth	Total
Balance as of December 31, 2011	\$ 785.0	\$ 1,071.4	\$ 260.9	\$ 2,117.3
Goodwill acquired	147.6	0.2	74.6	222.4
Foreign currency translation	(0.6)	1.9	1.0	2.3
Balance as of June 30, 2012	<u>\$ 932.0</u>	<u>\$ 1,073.5</u>	<u>\$ 336.5</u>	<u>\$ 2,342.0</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table presents the changes in and the components of acquired client relationships at the Company's consolidated Affiliates during the six months ended June 30, 2012:

	Acquired Client Relationships				
	Gross Book Value	Definite-lived Accumulated Amortization	Net Book Value	Indefinite-lived Net Book Value	Total Net Book Value
Balance as of December 31, 2011	\$ 970.5	\$ (317.0)	\$ 653.5	\$ 667.6	\$ 1,321.1
New investments	131.1	—	131.1	321.5	452.6
Amortization and impairment	—	(42.9)	(42.9)	(102.2)	(145.1)
Foreign currency translation	0.2	—	0.2	2.4	2.6
Transfer	38.2	—	38.2	(38.2)	—
Balance as of June 30, 2012	\$ 1,140.0	\$ (359.9)	\$ 780.1	\$ 851.1	\$ 1,631.2

During 2012, the Company determined that the fair value of the indefinite-lived intangible asset at one of its Affiliates, a manager of growth-oriented U.S. equity mutual funds, had declined below its carrying value and, accordingly, reduced the carrying value by \$93.5 million and \$102.2 million, in the three and six months ended June 30, 2012, respectively. The fair value of this asset (\$38.2 million) was calculated using a discounted cash flow analysis, a Level 3 fair value measurement. The significant assumptions used in the valuation were declining assets under management (approximately 10% annually) and a discount rate of 15%. While the Company generally considers investment advisory contracts between its Affiliates and their sponsored registered investment companies to have an indefinite life, it was determined that the useful life of this asset was no longer indefinite. Accordingly, the Company reclassified the remaining acquired client relationships to definite-lived.

For the Company's Affiliates that are consolidated, definite-lived acquired client relationships are amortized over their expected useful lives. As of June 30, 2012, these relationships were being amortized over a weighted average life of approximately twelve years. The Company recognized amortization expense for these relationships of \$22.1 million and \$44.2 million, respectively for the three and six months ended June 30, 2011 as compared to \$21.2 million and \$42.9 million, respectively for the three and six months ended June 30, 2012. The Company estimates that its consolidated annual amortization expense will be approximately \$95.0 million for the next five years, assuming no additional investments in new or existing Affiliates.

Equity Method

The definite-lived acquired client relationships attributable to the Company's equity method investments are amortized over their expected useful lives. As of June 30, 2012, these relationships were being amortized over a weighted average life of approximately seven years. The Company recognized amortization expense for these relationships of \$8.2 million and \$16.6 million, respectively for the three and six months ended June 30, 2011 as compared to \$8.2 million and \$16.3 million, respectively for the three and six months ended June 30, 2012. Assuming no additional investments in

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

new or existing Affiliates, the Company estimates the annual amortization expense attributable to its current equity- method Affiliates for the next five years as follows:

<u>Year Ending December 31,</u>	<u>Estimated Amortization Expense</u>
2012	\$ 32.7
2013	32.7
2014	11.2
2015	2.7
2016	0.2

17. Affiliate Equity

The Company periodically issues Affiliate equity interests to and repurchases Affiliate equity interests from its Affiliate partners. These transactions generally occur at fair value. However, if the equity is issued for consideration below the fair value of the equity or repurchased for consideration above the fair value of the equity, then such difference is recorded as compensation expense over the requisite service period. The Company recognized compensation expense related to Affiliate equity of \$6.0 million and \$11.2 million, respectively (\$3.7 million and \$7.2 million attributable to the controlling interest) for the three and six months ended June 30, 2011 as compared to \$8.8 million and \$15.1 million, respectively (\$4.8 million and \$7.0 million attributable to the controlling interest) for the three and six months ended June 30, 2012.

Many of the Company's operating agreements provide the Company a conditional right to call and Affiliate partners the conditional right to put their retained equity interests at certain intervals. The purchase price of these conditional purchases are generally calculated based upon a multiple of the Affiliate's cash flow distributions, which is intended to represent fair value. Affiliate management partners are also permitted to sell their equity interests to other individuals or entities in certain cases, subject to the Company's approval or other restrictions. The Company, at its option, may pay for Affiliate equity purchases in cash, shares of its common stock or other forms of consideration and can consent to the transfer of these interests to other individuals or entities.

The current redemption value of these interests has been presented as Redeemable non-controlling interests on the Company's Consolidated Balance Sheets. Changes in the current redemption value are recorded to Additional paid-in capital. The following table presents the changes in Redeemable non-controlling interests during the period:

Balance as of January 1, 2012	\$ 451.8
Issuance of Redeemable non-controlling interest	7.0
Repurchase of Redeemable non-controlling interest	(16.0)
Changes in redemption value	39.1
Balance as of June 30, 2012	<u>\$ 481.9</u>

During the three and six months ended June 30, 2011 and 2012, the Company acquired interests from and transferred interests to Affiliate management partners. The following schedule discloses the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

effect of changes in the Company's ownership interest in its Affiliates on the controlling interest's equity:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Net income (controlling interest)	\$ 45.5	\$ 6.6	\$ 84.5	\$ 44.0
Increase (decrease) in controlling interest paid-in capital from purchases and sales of Affiliate equity	(3.4)	(2.6)	0.4	(8.6)
Change from Net income (controlling interest) and net transfers with non-controlling interests	<u>\$ 42.1</u>	<u>\$ 4.0</u>	<u>\$ 84.9</u>	<u>\$ 35.4</u>

18. Comprehensive Income

The following table shows the tax effects allocated to each component of other comprehensive income:

	For the Three Months Ended June 30, 2011			For the Six Months Ended June 30, 2011		
	Pre-Tax	Tax Expense (Benefit)	Net of Tax	Pre-Tax	Tax Expense (Benefit)	Net of Tax
	Foreign currency translation adjustment	\$ 2.2	\$ —	\$ 2.2	\$ 16.4	\$ —
Change in net realized and unrealized loss on derivative securities	(2.4)	0.9	(1.5)	(1.3)	0.5	(0.8)
Change in net unrealized loss on investment securities	(3.8)	1.6	(2.2)	(9.5)	3.8	(5.7)
Other comprehensive income (loss)	<u>\$ (4.0)</u>	<u>\$ 2.5</u>	<u>\$ (1.5)</u>	<u>\$ 5.6</u>	<u>\$ 4.3</u>	<u>\$ 9.9</u>

	For the Three Months Ended June 30, 2012			For the Six Months Ended June 30, 2012		
	Pre-Tax	Tax Expense (Benefit)	Net of Tax	Pre-Tax	Tax Expense (Benefit)	Net of Tax
	Foreign currency translation adjustment	\$ (9.9)	\$ —	\$ (9.9)	\$ 4.5	\$ —
Change in net realized and unrealized loss on derivative securities	(0.8)	0.3	(0.5)	(0.9)	0.3	(0.6)
Change in net unrealized loss on investment securities	(18.0)	6.6	(11.4)	(3.7)	1.4	(2.3)
Other comprehensive income (loss)	<u>\$ (28.7)</u>	<u>\$ 6.9</u>	<u>\$ (21.8)</u>	<u>\$ (0.1)</u>	<u>\$ 1.7</u>	<u>\$ 1.6</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The components of accumulated other comprehensive income, net of taxes, are as follows:

	December 31, 2011	Other Comprehensive Income	June 30, 2012
Foreign currency translation adjustments	\$ 57.7	\$ 4.5	\$ 62.2
Realized and unrealized loss on derivative securities	(2.2)	(0.6)	(2.8)
Unrealized loss on investment securities	(5.5)	(2.3)	(7.8)
Accumulated other comprehensive income	50.0	1.6	51.6
Accumulated other comprehensive income (non-controlling interests)	—	1.5	1.5
Accumulated other comprehensive income (controlling interest)	\$ 50.0	\$ 0.1	\$ 50.1

19. Recent Accounting Developments

In May 2011, the Financial Accounting Standards Board issued an update to the fair value measurements and disclosures guidance. The new guidance clarifies existing fair value measurement principles and expands certain disclosure requirements, particularly for measurements categorized as Level 3. The amendment is effective for interim and fiscal periods beginning after December 15, 2011. The Company adopted this guidance in the first quarter of 2012. Adoption of this new guidance did not have a material impact on the Company's Consolidated Financial Statements.

In July 2012, the Financial Accounting Standards Board issued new guidance that provides the option of performing a qualitative assessment before proceeding with a quantitative impairment test for indefinite-lived intangible assets. Following an assessment of qualitative factors, if an entity determines that it is more likely than not that the fair value of the indefinite-lived asset is greater than its carrying amount, then a quantitative assessment is unnecessary. This guidance is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012, with early adoption permitted. Adoption of this new guidance is not expected to have a significant impact on the Company's Consolidated Financial Statements.

20. Subsequent Events

In July 2012, the Company received an additional \$75.0 million commitment under its revolver, increasing the facility to \$825.0 million.

On July 31, 2012, the Company announced and closed an additional investment in BlueMountain Capital Management LLC ("BlueMountain"), a leading global credit alternatives manager. Founded in 2003, BlueMountain manages more than \$7.0 billion in assets across a diverse set of strategies in the credit markets. With offices in New York and London, BlueMountain is a leader in fundamental long/short, structured credit, arbitrage and equity derivatives.

In August 2012, the Company sold \$200.0 million aggregate principal amount of 6.375% Senior Notes due 2042 (the "2042 Senior Notes") pursuant to an underwriting agreement with three major financial institutions. The unsecured 2042 Senior Notes pay interest quarterly and may be redeemed for cash, in whole or in part, at any time, on or after August 15, 2017. The 2042 Senior Notes' Indenture includes customary provisions regarding events of default. The Company intends to use substantially all of the net proceeds to repay outstanding indebtedness under its revolver.

In addition, in August 2012, the Board of Directors of the Company approved an amendment and restatement of the Company's forward equity sale agreement with two major securities firms, pursuant to which the Company may now sell shares of common stock with an aggregate sales price of up to \$400.0 million. As of August 7, 2012, no forward equity sales have occurred.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

When used in this Quarterly Report on Form 10-Q, in our other filings with the United States Securities and Exchange Commission, in our press releases and in oral statements made with the approval of an executive officer, the words or phrases "will likely result," "are expected to," "will continue," "is anticipated," "may," "intends," "believes," "estimate," "project" or similar expressions are intended to identify "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to certain risks and uncertainties, including, among others, the following:

- our performance is directly affected by changing conditions in global financial markets generally and in the equity markets particularly, and a decline or a lack of sustained growth in these markets may result in decreased advisory fees or performance fees and a corresponding decline (or lack of growth) in our operating results and in the cash flow distributable to us from our Affiliates;
- we cannot be certain that we will be successful in finding or investing in additional investment management firms on favorable terms, that we will be able to consummate announced investments in new investment management firms, or that existing and new Affiliates will have favorable operating results;
- we may need to raise capital by making long-term or short-term borrowings or by selling shares of our common stock or other securities in order to finance investments in additional investment management firms or additional investments in our existing Affiliates, and we cannot be sure that such capital will be available to us on acceptable terms, if at all; and
- those certain other factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2011, and in any other filings we make with the Securities and Exchange Commission from time to time.

These factors (among others) could affect our financial performance and cause actual results to differ materially from historical earnings and those presently anticipated and projected. We will not undertake and we specifically disclaim any obligation to release publicly the result of any revisions which may be made to any forward-looking statements to reflect events or circumstances after the date of such statements or to reflect the occurrence of events, whether or not anticipated. In that respect, we wish to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made.

Management's Discussion and Analysis should be read in conjunction with the Consolidated Financial Statements of AMG and its subsidiaries (collectively, the "Company" or "AMG") and the notes thereto contained elsewhere in this Quarterly Report on Form 10-Q.

Executive Overview

We are a global asset management company with equity investments in leading boutique investment management firms (our "Affiliates"). Our innovative partnership approach allows each Affiliate's management team to own significant equity in their firm while maintaining operational autonomy. Our strategy is to generate growth through the internal growth of existing Affiliates, as well as through investments in new Affiliates. In addition, we provide centralized assistance to our Affiliates in strategic matters, marketing, distribution, product development and operations.

As of June 30, 2012, we manage \$384.6 billion in assets through our Affiliates across a broad range of asset classes and investment styles in three principal distribution channels: Mutual Fund, Institutional and High Net Worth. The following summarizes our operations in our three principal distribution channels.

- In the Mutual Fund distribution channel, our Affiliates provide advisory or sub-advisory services to mutual funds. These funds are distributed to retail and institutional clients directly and through intermediaries, including independent investment advisors, retirement plan sponsors, broker-dealers, major fund marketplaces and bank trust departments.
- In the Institutional distribution channel, we offer a broad range of investment styles, including small, small/mid, mid and large capitalization value, growth equity and emerging markets. In addition, our Affiliates offer quantitative, alternative and fixed income products. Through this distribution channel, our Affiliates manage assets for public and private client entities, including pension plans, foundations, endowments and sovereign wealth funds, with disciplined and focused investment styles that address the specialized needs of institutional clients.
- The High Net Worth distribution channel is comprised broadly of two principal client groups. The first group consists principally of direct relationships with high net worth individuals and families and charitable foundations. For these clients, our Affiliates provide investment management or customized investment counseling and fiduciary services. The second group consists of individual managed account client relationships established through intermediaries, which are generally brokerage firms or other sponsors. Our Affiliates provide investment management services through managed account and wrap programs. In 2011, we formed AMG Wealth Partners to extend and tailor our innovative partnership approach to equity investments in leading boutique wealth management firms.

New Investments

On June 29, 2012, AMG Wealth Partners completed its investment in Veritable, LP ("Veritable"). Veritable manages approximately \$11.0 billion in assets for ultra-high net worth individuals. Veritable provides comprehensive, objective and tax-sensitive investment consultation through an approach customized for each client's specific needs.

On June 29, 2012, we completed our investment in Yacktman Asset Management Co. ("Yacktman"). Yacktman manages approximately \$17.0 billion of assets, specializing in large-cap equities through a unique, value-oriented approach. Yacktman seeks to make investments in high-quality businesses at low valuations with the goal of generating outperformance over the long term.

Our Structure and Relationship with Affiliates

In making investments in boutique investment management firms, we seek to partner with the highest quality firms in the industry, with outstanding management teams, strong long-term performance records and a demonstrated commitment to continued growth and success. Fundamental to our investment approach is the belief that Affiliate management equity ownership (along with AMG's ownership) aligns our interests and provides Affiliate managers with a powerful incentive to continue to grow their business. Our investment structure provides a degree of liquidity and diversification to principal owners of boutique investment management firms, while at the same time expanding equity ownership opportunities among the firm's management and allowing management to continue to participate in the firm's future growth. Our partnership approach also ensures that Affiliates maintain operational autonomy in managing their business, thereby preserving their firm's entrepreneurial culture and independence.

Although the specific structure of each investment is highly tailored to meet the needs of a particular Affiliate, in all cases, we establish a meaningful equity interest in the firm, with the remaining equity interests retained by the management of the Affiliate. Each Affiliate is organized as a separate firm, and its operating or shareholder agreement is structured to provide appropriate incentives for Affiliate management owners and to address the Affiliate's particular characteristics while

also enabling us to protect our interests, including through arrangements such as long-term employment agreements with key members of the firm's management team.

In most cases, we own a majority of the equity interests of a firm and structure a revenue sharing arrangement, in which a percentage of revenue is allocated for use by management of that Affiliate in paying operating expenses of the Affiliate, including salaries and bonuses. We call this the "Operating Allocation." The portion of each Affiliate's revenue that is allocated to the owners of that Affiliate (including us) is called the "Owners' Allocation." Each Affiliate allocates its Owners' Allocation to its managers and to us generally in proportion to their and our respective ownership interests in that Affiliate.

One of the purposes of our revenue sharing arrangements is to provide ongoing incentives for Affiliate managers by allowing them to participate in the growth of their firm's revenue, which may increase their compensation from both the Operating Allocation and the Owners' Allocation. These arrangements also provide incentives to control operating expenses, thereby increasing the portion of the Operating Allocation that is available for growth initiatives and compensation.

An Affiliate's Operating Allocation is structured to cover its operating expenses. However, should actual operating expenses exceed the Operating Allocation, our contractual share of cash under the Owners' Allocation generally has priority over the allocations and distributions to the Affiliate's managers. As a result, the excess expenses first reduce the portion of the Owners' Allocation allocated to the Affiliate's managers until that portion is eliminated, before reducing the portion allocated to us. Any such reduction in our portion of the Owners' Allocation is required to be paid back to us out of the portion of future Owners' Allocation allocated to the Affiliate's managers.

Our minority investments are also structured to align our interests with those of the Affiliate's management through shared equity ownership, as well as to preserve the Affiliate's entrepreneurial culture and independence by maintaining the Affiliate's operational autonomy. In cases where we hold a minority investment, the revenue sharing arrangement generally allocates a percentage of the Affiliate's revenue to us. The remaining revenue is used to pay operating expenses and profit distributions to the other owners. Generally where we own a minority investment, we are required to use the equity method of accounting. Consistent with this method, we have not consolidated the operating results of these firms (including their revenue) in our Consolidated Statements of Income. Our share of these firms' profits (net of intangible amortization) is reported in Income from equity method investments, and is therefore reflected in our Net income and EBITDA. As a consequence, increases or decreases in these firms' assets under management (\$103.9 billion as of June 30, 2012 and included in our reported assets under management) will not affect our reported revenue.

Certain of our Affiliates operate under profit-based arrangements through which we own a majority of the equity in the firm and receive a share of profits as cash flow, rather than a percentage of revenue through a typical revenue sharing agreement. As a result, we participate fully in any increase or decrease in the revenue or expenses of such firms. In these cases, we participate in a budgeting process and generally provide incentives to management through compensation arrangements based on the performance of the Affiliate.

We are focused on establishing and maintaining long-term partnerships with our Affiliates. Our shared equity ownership gives both us and our Affiliates meaningful incentives to manage their businesses for strong future growth. From time to time, we may consider changes to the structure of our relationship with an Affiliate in order to better support the firm's growth strategy.

The table below summarizes our financial highlights:

<i>(in millions, except as noted and per share data)</i>	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2011	2012	% Change	2011	2012	% Change
Assets under Management (in billions)	\$ 348.4	\$ 384.6	10 %	\$ 348.4	\$ 384.6	10 %
Revenue	462.3	429.6	(7)%	888.5	847.2	(5)%
Net income (controlling interest) ⁽¹⁾	45.5	6.6	(85)%	84.5	44.0	(48)%
Earnings per share—diluted ⁽¹⁾	0.85	0.12	(86)%	1.59	0.83	(48)%
Economic net income ⁽²⁾	91.3	87.6	(4)%	176.3	171.1	(3)%
Economic earnings per share ⁽²⁾	1.71	1.66	(3)%	3.31	3.24	(2)%
EBITDA ⁽³⁾	123.8	113.7	(8)%	242.0	227.8	(6)%

- (1) We reduced the carrying value of an indefinite-lived intangible asset at one of our Affiliates by \$93.5 million and \$102.2 million, in the three and six months ended June 30, 2012, respectively. We also reduced our current estimate of contingent payment obligations and recognized a gain of \$47.4 million (\$34.6 million attributable to the controlling interest) and \$57.3 million (\$39.6 million attributable to the controlling interest), in the three and six months ended June 30, 2012, respectively. Excluding these valuation adjustments, Net income (controlling interest) and Earnings per share—diluted would have been \$43.1 million and \$0.82 in the three months ended June 30, 2012, respectively, and \$82.9 million and \$1.57 for the six months ended June 30, 2012, respectively. Management believes the disclosure of Net income (controlling interest) and Earnings per share-diluted excluding these valuation adjustments, both non-GAAP measures, provides for a better comparison between current and prior periods.
- (2) Economic net income and Economic earnings per share, including a reconciliation of Economic net income to Net income, are discussed in "Supplemental Performance Measures" on page 41.
- (3) EBITDA, including a reconciliation to cash flow from operations, is discussed in greater detail in "Supplemental Liquidity Measure" on page 43.

During the twelve months ended June 30, 2012, the MSCI EAFE decreased 13.4% while the S&P 500 increased 5.5%. Our total assets under management grew to \$384.6 billion at June 30, 2012, an increase of approximately 10% over June 30, 2011. The growth in our assets under management was primarily the result of organic growth of our Affiliates from net client cash flows (\$23.2 billion) and our new investments in Veritable and Yacktman (\$28.0 billion).

The following table provides information regarding the composition of our assets under management:

<i>(in billions)</i>	December 31, 2011		June 30, 2012	
	Assets under Management	Percentage of Total	Assets under Management	Percentage of Total
Asset Class:				
Equity ⁽¹⁾	\$ 207.9	63%	\$ 245.9	64%
Alternative ⁽²⁾	80.3	25%	92.0	24%
Fixed Income ⁽³⁾⁽⁴⁾	39.3	12%	46.7	12%
Total	<u>\$ 327.5</u>	<u>100%</u>	<u>\$ 384.6</u>	<u>100%</u>
Geography:⁽⁵⁾				
Domestic	\$ 109.4	33%	\$ 141.5	37%
Global/International ⁽⁴⁾	178.4	55%	200.0	52%
Emerging Markets	39.7	12%	43.1	11%
Total	<u>\$ 327.5</u>	<u>100%</u>	<u>\$ 384.6</u>	<u>100%</u>

- (1) The Equity asset class includes equity, balanced and asset allocation products.
- (2) The Alternative asset class includes private equity, multi-strategy, market neutral equity and hedge products.
- (3) Our Affiliates currently sponsor money market funds with fund assets representing less than 1% of our assets under management.
- (4) Investments in sovereign and non-sovereign debt of European countries represent less than 1% of our assets under management.
- (5) The Geography of a particular investment product describes the general location of its investment holdings.

Our assets under management increased during the six months ended June 30, 2012 principally as a result of our new investments (\$22.9 billion in the Equity asset class and \$5.1 billion in Fixed Income) and organic growth from net client cash flows in the Alternative asset class (\$10.1 billion) and the Equity asset class (\$4.7 billion). Our new investments also increased the Domestic asset class (\$25.8 billion) and Global/International (\$2.2 billion) while organic growth from net client cash flows increased Global/International (\$13.3 billion).

Assets under Management by Operating Segment

The following table presents our Affiliates' reported assets under management by operating segment (which are also referred to as distribution channels in this Quarterly Report on Form 10-Q).

Statement of Changes-Quarter to Date

<i>(in billions)</i>	Mutual Fund	Institutional	High Net Worth	Total
March 31, 2012	\$ 95.1	\$ 227.8	\$ 41.0	\$ 363.9
New investments ⁽¹⁾	14.8	0.0	13.2	28.0
Adjusted March 31, 2012	109.9	227.8	54.2	391.9
Client cash inflows	9.1	9.6	2.5	21.2
Client cash outflows	(6.0)	(6.1)	(1.9)	(14.0)
Net client cash flows	3.1	3.5	0.6	7.2
Investment performance	(4.4)	(7.1)	(2.5)	(14.0)
Other ⁽²⁾	(0.1)	(0.4)	(0.0)	(0.5)
June 30, 2012	<u>\$ 108.5</u>	<u>\$ 223.8</u>	<u>\$ 52.3</u>	<u>\$ 384.6</u>

Statement of Changes-Year to Date

<i>(in billions)</i>	Mutual Fund	Institutional	High Net Worth	Total
December 31, 2011	\$ 85.2	\$ 205.7	\$ 36.6	\$ 327.5
New investments ⁽¹⁾	14.8	0.0	13.2	28.0
Client cash inflows	15.3	21.9	5.0	42.2
Client cash outflows	(10.8)	(13.5)	(3.7)	(28.0)
Net client cash flows	4.5	8.4	1.3	14.2
Investment performance	4.1	10.1	1.2	15.4
Other ⁽²⁾	(0.1)	(0.4)	(0.0)	(0.5)
June 30, 2012	<u>\$ 108.5</u>	<u>\$ 223.8</u>	<u>\$ 52.3</u>	<u>\$ 384.6</u>

(1) In the second quarter of 2012, we completed our investments in Veritable and Yacktman. Our presentation of changes in our assets under management is pro forma assuming these investments closed on March 31, 2012.

(2) Includes assets under management attributable to Affiliate product transitions, new investment client transitions and transfers of our interests in certain Affiliated investment management firms, the financial effects of which are not material to our ongoing results.

As shown in the assets under management table above, client cash inflows totaled \$42.2 billion while client cash outflows totaled \$28.0 billion for the six months ended June 30, 2012. The net flows for the six months ended June 30, 2012 occurred across a broad range of product offerings in each of our distribution channels, with no individual cash inflow or outflow having a material impact on our revenue or expenses.

The operating segment analysis presented in the following table is based on average assets under management. For the Mutual Fund distribution channel, average assets under management represent an average of the daily net assets under management. For the Institutional and High Net Worth distribution channels, average assets under management reflect the billing patterns of particular client accounts. For example, assets under management for an account that bills in advance is presented in the table on the basis of beginning of period assets under management while an account that bills in arrears is reflected on the basis of end of period assets under management. We believe that this

analysis more closely correlates to the billing cycle of each distribution channel and, as such, provides a more meaningful relationship to revenue.

<i>(in millions, except as noted)</i>	For the Three Months Ended			For the Six Months Ended		
	2011	2012	% Change	2011	2012	% Change
Average Assets under Management (in billions)⁽¹⁾						
Including equity method Affiliates:						
Mutual Fund	\$ 91.9	\$ 92.0	0 %	\$ 89.5	\$ 91.5	2 %
Institutional	217.8	221.8	2 %	212.9	220.9	4 %
High Net Worth	36.9	39.7	8 %	36.4	39.6	9 %
Total	<u>\$ 346.6</u>	<u>\$ 353.5</u>	2 %	<u>\$ 338.8</u>	<u>\$ 352.0</u>	4 %
Excluding equity method Affiliates:						
Mutual Fund	\$ 83.0	\$ 75.4	(9)%	\$ 81.3	\$ 75.7	(7)%
Institutional	153.6	149.7	(3)%	150.7	151.2	0 %
High Net Worth	28.3	30.5	8 %	28.0	29.7	6 %
Total	<u>\$ 264.9</u>	<u>\$ 255.6</u>	(4)%	<u>\$ 260.0</u>	<u>\$ 256.6</u>	(1)%
Revenue						
Mutual Fund	\$ 192.5	\$ 173.3	(10)%	\$ 376.7	\$ 349.0	(7)%
Institutional	233.9	219.5	(6)%	440.9	426.2	(3)%
High Net Worth	35.9	36.8	3 %	70.9	72.0	2 %
Total	<u>\$ 462.3</u>	<u>\$ 429.6</u>	(7)%	<u>\$ 888.5</u>	<u>\$ 847.2</u>	(5)%
Net income (loss) (controlling interest)⁽²⁾						
Mutual Fund ⁽³⁾	\$ 18.8	\$ (31.3)	(266)%	\$ 35.4	\$ (16.5)	(147)%
Institutional	30.2	33.4	11 %	48.6	52.3	8 %
High Net Worth ⁽⁴⁾	(3.5)	4.5	(229)%	0.5	8.2	1,540 %
Total	<u>\$ 45.5</u>	<u>\$ 6.6</u>	(85)%	<u>\$ 84.5</u>	<u>\$ 44.0</u>	(48)%
EBITDA⁽⁵⁾						
Mutual Fund	\$ 44.4	\$ 36.4	(18)%	\$ 82.9	\$ 73.5	(11)%
Institutional	80.0	66.9	(16)%	148.9	133.8	(10)%
High Net Worth ⁽⁴⁾	(0.6)	10.4	(1,833)%	10.2	20.5	101 %
Total	<u>\$ 123.8</u>	<u>\$ 113.7</u>	(8)%	<u>\$ 242.0</u>	<u>\$ 227.8</u>	(6)%

(1) As described above, our average assets under management considers balances used to bill revenue during the reporting period. Assets under management attributable to investments in new Affiliates are included on a weighted average basis for the period from the closing date of the respective investment.

(2) In 2012, we changed our estimate of payments to be made under certain of our contingent payment arrangements. For the three months ended June 30, 2012, we recognized a gain totaling \$47.4 million (\$34.6 million attributable to the controlling interest) as a result of this change. The controlling interest portion of the gain was allocated \$14.4 million, \$20.0 million and \$0.2 million to our Mutual Fund, Institutional and High Net Worth channels, respectively. For the six months ended June 30, 2012, we recognized a gain totaling \$57.3 million (\$39.6 million attributable to the controlling interest) as a result of this change. The controlling interest portion of the gain was

allocated \$19.1 million, \$20.2 million and \$0.3 million to our Mutual Fund, Institutional and High Net Worth channels, respectively.

- (3) During the three and six months ended June 30, 2012, we reduced the carrying value of an indefinite-lived intangible asset at one of our Affiliates and, accordingly, recorded pre-tax expenses of \$93.5 million and \$102.2 million, respectively.
- (4) During the three months ended June 30, 2011, we determined that the value of a cost method investment had been reduced to zero, and recorded a \$12.8 million write-down which was allocated to our High Net Worth distribution channel.
- (5) EBITDA, including a reconciliation to cash flow from operations, is discussed in greater detail in "Supplemental Liquidity Measure" on page 43.

Results of Operations

Revenue

Our revenue is generally determined by the level of our assets under management and the portion of our assets across our three operating segments, which realize different fee rates, and the recognition of any performance fees. Performance fees are generally measured on absolute or relative investment performance against a benchmark. As a result, the level of performance fees earned can vary significantly from period to period and these fees may not necessarily be correlated to changes in total assets under management.

Our total revenue decreased \$32.7 million (or 7%) in the three months ended June 30, 2012, as compared to the three months ended June 30, 2011, primarily from a 4% decrease in average assets under management from our consolidated Affiliates, a decline in our average fee rates (2%) and a decline in performance fees (1%). The decrease in average assets under management resulted principally from investment performance.

Our total revenue decreased \$41.3 million (or 5%) in the six months ended June 30, 2012, as compared to the six months ended June 30, 2011 primarily from a 1% decrease in average assets under management from our consolidated Affiliates, a decline in our average fee rates (3%) and a decline in performance fees (1%). The decrease in average assets under management resulted principally from investment performance, partially offset by net client cash flows. The decline in average fee rates resulted principally from decreases in assets under management that realize comparatively higher fee rates.

Changes in the composition of our assets under management between operating segments did not have a significant impact on our results.

The following discusses the changes in our revenue by operating segment.

Mutual Fund Distribution Channel

Our revenue in the Mutual Fund distribution channel decreased \$19.2 million (or 10%) in the three months ended June 30, 2012 as compared to the three months ended June 30, 2011, primarily from a 9% decrease in average assets under management from our consolidated Affiliates, and revenue decreased \$27.7 million (or 7%) in the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, primarily from a 7% decrease in average assets under management from our consolidated Affiliates. These decreases in average assets under management resulted principally from investment performance and net client cash flows at our consolidated Affiliates.

Institutional Distribution Channel

Our revenue in the Institutional distribution channel decreased \$14.4 million (or 6%) in the three months ended June 30, 2012 as compared to the three months ended June 30, 2011, primarily from a 3% decrease in average assets under management from our consolidated Affiliates, a decline in our average fee rates (3%) and a decline in performance fees. The decrease in average assets under management resulted principally from investment performance, partially offset by net client cash flows. The decline in our average fee rates resulted principally from decreases in assets under management that realize comparatively higher fee rates. Consolidated performance fee revenue decreased \$2.7 million to \$15.4 million for the three months ended June 30, 2012 as compared to the three months ended June 30, 2011.

Our revenue in the Institutional distribution channel decreased \$14.7 million (or 3%) in the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, primarily from a decline in our average fee rates (3%) and a decline in performance fees while average assets under management from our consolidated Affiliates remained flat as positive net client cash flows were offset by investment performance. The decline in our average fee rates resulted principally from decreases in assets under management that realize comparatively higher fee rates. Consolidated performance fee revenue decreased \$4.5 million to \$17.6 million for the six months ended June 30, 2012 as compared to the six months ended June 30, 2011.

High Net Worth Distribution Channel

Our revenue in the High Net Worth distribution channel increased \$0.9 million (or 3%) in the three months ended June 30, 2012 as compared to the three months ended June 30, 2011, primarily from a 8% increase in average assets under management from our consolidated Affiliates, partially offset by a decline in our average fee rates (4%). The increase in average assets under management resulted from investment performance and net client cash flows at our consolidated Affiliates. The decline in our average fee rates resulted principally from decreases in assets under management that realize comparatively higher fee rates.

Our revenue in the High Net Worth distribution channel increased \$1.1 million (or 2%) in the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, primarily from a 6% increase in average assets under management from our consolidated Affiliates, partially offset by a decline in our average fee rates (4%). The increase in average assets under management resulted from investment performance and net client cash flows at our consolidated Affiliates. The decline in our average fee rates resulted principally from decreases in assets under management that realize comparatively higher fee rates.

Operating Expenses

The following table summarizes our consolidated operating expenses:

<i>(in millions)</i>	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2011	2012	% Change	2011	2012	% Change
Compensation and related expenses	\$ 196.5	\$ 188.1	(4)%	\$ 376.0	\$ 369.2	(2)%
Selling, general and administrative	90.6	88.8	(2)%	178.1	173.8	(2)%
Intangible amortization and impairments	22.1	114.7	419 %	44.2	145.1	228 %
Depreciation and other amortization	3.8	3.6	(5)%	7.6	7.1	(7)%
Other operating expenses	9.3	9.4	1 %	17.7	18.2	3 %
Total operating expenses	<u>\$ 322.3</u>	<u>\$ 404.6</u>	26 %	<u>\$ 623.6</u>	<u>\$ 713.4</u>	14 %

A substantial portion of our operating expenses is incurred by our Affiliates with revenue sharing arrangements. For Affiliates with revenue sharing arrangements, an Affiliate's Operating Allocation percentage generally determines its operating expenses. Accordingly, our compensation expense is generally impacted by increases or decreases in each Affiliate's revenue and the corresponding increases or decreases in their respective Operating Allocations. During the three and six months ended June 30, 2012, approximately \$94.1 million and \$184.7 million, (or 50% and 50%), respectively, of our consolidated compensation expense, was attributable to our Affiliate partners from their Operating Allocations. The percentage of revenue allocated to operating expenses varies from one Affiliate to another and may vary within an Affiliate depending on the source or amount of revenue. As a result, changes in our aggregate revenue may not impact our consolidated operating expenses to the same degree.

Compensation and related expenses decreased \$8.4 million (or 4%) and \$6.8 million (or 2%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively. These decreases were primarily as a result of the relationship between revenue and operating expenses at Affiliates which experienced decreases in revenue, and accordingly, reported lower compensation expenses. These decreases were partially offset by increases in costs associated with our global distribution initiative.

Selling, general and administrative expenses decreased \$1.8 million (or 2%) and \$4.3 million (or 2%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively. These decreases resulted primarily from decreases in sub-advisory and distribution expenses attributable to decreases in assets under management at our Affiliates in the Mutual Fund distribution channel, partially offset by an increase in acquisition-related professional fees.

Intangible amortization and impairments increased \$92.6 million (or 419%) and \$100.9 million (or 228%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively. These increases were primarily the result of expenses associated with the reduction in carrying value of an indefinite-lived intangible asset at one of our Affiliates of \$93.5 million and \$102.2 million in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively.

Depreciation and other amortization decreased \$0.2 million (or 5%) and \$0.5 million (or 7%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively.

Other operating expenses increased \$0.1 million (or 1%) and \$0.5 million (or 3%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively.

Other Income Statement Data

The following table summarizes other income statement data:

<i>(in millions)</i>	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2011	2012	% Change	2011	2012	% Change
Income from equity method investments	\$ 20.1	\$ 13.4	(33)%	\$ 30.3	\$ 27.9	(8)%
Investment and other income (loss)	(6.1)	3.0	(149)%	2.6	13.4	415 %
Interest expense	18.1	18.5	2 %	37.4	37.1	(1)%
Imputed interest expense and contingent payment arrangements	8.3	(40.0)	n.m. ⁽¹⁾	16.6	(42.5)	n.m. ⁽¹⁾
Income tax expense	26.6	2.0	(92)%	53.4	26.6	(50)%

(1) Percentage change is not meaningful.

Income from equity method investments consists of our share of income from Affiliates that are accounted for under the equity method of accounting, net of any related intangible amortization. Income from equity method investments decreased \$6.7 million (or 33%) and \$2.4 million (or 8%) in the three and six months ended June 30, 2012 as compared to the three and six months ended June 30, 2011, respectively. These decreases were principally a result of a decrease in total performance fees realized during the three and six months ended June 30, 2012, \$43.5 million and \$56.7 million, respectively, as compared to the three and six months ended June 30, 2011, partially offset by increases in revenue resulting from higher assets under management.

Investment and other income increased \$9.1 million (or 149%) and \$10.8 million (or 415%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively. These increases were primarily as a result of a \$12.8 million write-off of a cost method investment in the second quarter of 2011, which did not recur in 2012. These increases were partially offset by increases in Affiliate investment losses in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011.

Interest expense increased \$0.4 million (or 2%) in the three months ended June 30, 2012 as compared to the three months ended June 30, 2011, principally as a result of increased borrowings under our credit facility. Interest expense decreased \$0.3 million (or 1%) in the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, primarily as a result of \$0.8 million in issuance costs related to our credit facility amendment that occurred in the first quarter of 2011.

Imputed interest expense and contingent payment arrangements consists of interest accretion on our senior convertible securities and our junior convertible trust preferred securities, as well as the accretion and revaluation of our contingent payment arrangements. Imputed interest expense and contingent payment arrangements decreased \$48.3 million and \$59.1 million in the three and six months ended June 30, 2012 as compared to the three and six months ended June 30, 2011, respectively. These decreases primarily relate to gains on the revaluation of contingent payment arrangements of \$47.4 million and \$57.3 million in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively.

Income taxes decreased \$24.6 million and \$26.8 million (or 92% and 50%) in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011 as the result of a decrease in Income before taxes for controlling interests and a \$4.2 million reduction in our deferred tax valuation allowance in the second quarter of 2012.

Net Income

The following table summarizes Net income:

<i>(in millions)</i>	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
	2011	2012	% Change	2011	2012	% Change
Net income	\$ 101.0	\$ 60.9	(40)%	\$ 190.4	\$ 153.9	(19)%
Net income (non-controlling interests)	55.5	54.3	(2)%	105.9	109.9	4 %
Net income (controlling interest)	45.5	6.6	(85)%	84.5	44.0	(48)%

Net income attributable to non-controlling interests decreased \$1.2 million (or 2%) in the three months ended June 30, 2012 as compared to the three months ended June 30, 2011 as a result of the previously discussed decreases in revenue, partially offset by the \$12.8 million gain on revaluation of contingent payment arrangements. Net income attributable to non-controlling interests increased \$4.0 million (or 4%) in the six months ended June 30, 2011 as compared to the six months ended June 30, 2012. This change resulted principally from a \$17.7 million gain on revaluation of contingent

payment arrangements. This increase was offset by previously discussed decreases in revenue and decreases in affiliate investment earnings.

Net income (controlling interest) decreased \$38.9 million (or 85%) and \$40.5 million (or 48%) in the three and six months ended June 30, 2012 as compared to the three and six months ended June 30, 2011, respectively. These decreases were a result of the previously discussed decreases in revenue as well as increases in reported operating expenses including the reduction in carrying value of one of our indefinite-lived intangible assets. These decreases were partially offset by the gains on revaluation of contingent payment arrangements of \$34.6 million and \$39.6 million in the three and six months ended June 30, 2012, as compared to the three and six months ended June 30, 2011, respectively.

Supplemental Performance Measures

As supplemental information, we provide non-GAAP performance measures that we refer to as Economic net income and Economic earnings per share. We consider Economic net income an important measure of our financial performance, as we believe it best represents our operating performance before non-cash expenses relating to our acquisition of interests in our investment management firms. Economic net income and Economic earnings per share are used by our management and Board of Directors as our principal performance benchmarks, including as measures for aligning executive compensation with stockholder value. These measures are provided in addition to, but not as a substitute for, Net income (controlling interest) and Earnings per share. Economic net income and Economic earnings per share are not liquidity measures and should not be used in place of any liquidity measure calculated under accounting principles generally accepted in the United States ("GAAP").

Under our Economic net income definition, we add to Net income (controlling interest) amortization (including equity method amortization and reductions in the carrying value of our intangible assets), deferred taxes related to intangible assets, non-cash imputed interest expense (principally related to the accounting for convertible securities and contingent payment arrangements) and Affiliate equity expense. We add back amortization attributable to and reductions in the carrying value of acquired client relationships because this expense does not correspond to the changes in value of these assets, which do not diminish predictably over time. The portion of deferred taxes generally attributable to intangible assets (including goodwill) that are no longer amortized but continue to generate tax deductions is added back because we believe it is unlikely these accruals will be used to settle material tax obligations. We add back non-cash expenses relating to certain transfers of equity between Affiliate management partners when these transfers have no dilutive effect to shareholders.

Economic earnings per share represents Economic net income divided by the adjusted diluted average shares outstanding, which measures the potential share issuance from our senior convertible securities and junior convertible securities (each further described in Liquidity and Capital Resources) using a "treasury stock" method. Under this method, only the net number of shares of common stock equal to the value of these securities in excess of par, if any, are deemed to be outstanding. We believe the inclusion of net shares under a treasury stock method best reflects the benefit of the increase in available capital resources (which could be used to repurchase shares of common stock) that occurs when these securities are converted and we are relieved of our debt obligation. This method does not take into account any increase or decrease in our cost of capital in an assumed conversion.

The following table provides a reconciliation of Net income (controlling interest) to Economic net income:

<i>(in millions, except per share data)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Net income (controlling interest)	\$ 45.5	\$ 6.6	\$ 84.5	\$ 44.0
Intangible amortization ⁽¹⁾⁽²⁾	26.9	119.3	54.0	154.2
Intangible-related deferred taxes ⁽³⁾	12.9	(21.5)	25.8	(11.6)
Imputed interest and contingent payment arrangements ⁽⁴⁾	4.4	(17.4)	8.8	(16.7)
Affiliate equity expense	1.6	0.6	3.2	1.2
Economic net income	<u>\$ 91.3</u>	<u>\$ 87.6</u>	<u>\$ 176.3</u>	<u>\$ 171.1</u>
Average shares outstanding—diluted	53.4	52.7	53.3	52.8
Assumed issuance of senior convertible securities shares	—	—	—	—
Assumed issuance of junior convertible securities shares	—	—	—	—
Dilutive impact of senior convertible securities shares	—	—	—	—
Dilutive impact of junior convertible securities shares	—	—	—	—
Average shares outstanding—adjusted diluted	<u>53.4</u>	<u>52.7</u>	<u>53.3</u>	<u>52.8</u>
Economic earnings per share	<u>\$ 1.71</u>	<u>\$ 1.66</u>	<u>\$ 3.31</u>	<u>\$ 3.24</u>

- (1) We are required to use the equity method of accounting for certain of our investments and, as such, do not separately report these Affiliates' revenues or expenses (including intangible amortization) in our income statement. Our share of these investments' amortization, \$8.2 million and \$8.2 million for the three months ended June 30, 2011 and 2012, respectively, and \$16.6 million and \$16.3 million for the six months ended June 30, 2011 and 2012, respectively, is reported in Income from equity method investments.
- (2) Our reported intangible amortization, \$22.1 million and \$114.7 million for the three months ended June 30, 2011 and 2012, respectively, includes \$3.4 million and \$3.6 million, respectively, of amortization attributable to our non-controlling interests, amounts not added back to Net income (controlling interest) to measure our Economic net income. The reported intangible amortization for the three months ended June 30, 2012 includes a \$93.5 million expense associated with the reduction in carrying value of an indefinite-lived intangible asset at one of our Affiliates. Our reported intangible amortization, \$44.2 million and \$145.1 million for the six months ended June 30, 2011 and 2012, respectively, includes \$6.8 million and \$7.2 million, respectively, of amortization attributable to our non-controlling interests. The reported intangible amortization for the six months ended June 30, 2012 includes a \$102.2 million expense associated with the reduction of carrying value of an indefinite-lived intangible asset at one of our Affiliates.
- (3) As described in Note (2) above, we reduced the carrying value of certain of our indefinite-lived intangible assets during the three and six months ended June 30, 2012 which resulted in a \$3.3 million and \$35.5 million, respectively decrease in our intangible-related deferred taxes.
- (4) Our reported Imputed interest expense and contingent payment arrangements, \$8.3 million and (\$40.0) million for the three months ended June 30, 2011 and 2012, respectively, include \$1.5 million and (\$11.7) million of imputed interest attributable to our non-controlling interests, amounts not added back to Net income (controlling interest) to measure our Economic net income. Our reported Imputed interest expense and contingent payment arrangements, \$16.6 million and (\$42.5) million for the six months ended June 30, 2011 and 2012, respectively, include \$2.9 million and (\$15.2) million of imputed interest attributable to our non-controlling interests.

Liquidity and Capital Resources

The following table summarizes certain key financial data relating to our liquidity and capital resources:

<i>(in millions)</i>	December 31, 2011		June 30, 2012	
Balance Sheet Data				
Cash and cash equivalents	\$	449.5	\$	311.0
Senior bank debt		250.0		445.0
2008 senior convertible notes		435.6		442.8
Junior convertible trust preferred securities		512.6		514.0

	For the Three Months Ended June 30,		For the Six Months Ended June 30,					
	2011	2012	2011	2012				
Cash Flow Data								
Operating cash flow	\$	179.4	\$	183.4	\$	307.7	\$	236.0
Investing cash flow		(5.1)		(396.0)		(16.4)		(393.9)
Financing cash flow		(116.2)		131.5		(296.0)		18.2
EBITDA ⁽¹⁾		123.8		113.7		242.0		227.8

(1) The definition of EBITDA is presented below under "Supplemental Liquidity Measure".

We view our ratio of debt to EBITDA (our "internal leverage ratio") as an important gauge of our ability to service debt, make new investments and access additional capital. Consistent with industry practice, we do not consider junior trust preferred securities as debt for the purpose of determining our internal leverage ratio. We also view our leverage on a "net debt" basis by deducting from our debt balance holding company cash. At June 30, 2012, our internal leverage ratio was 1.2:1.

Under the terms of our credit facility we are required to meet two financial ratio covenants. The first of these covenants is a maximum ratio of debt to EBITDA (the "bank leverage ratio") of 3.0. The calculation of our bank leverage ratio is generally consistent with our internal leverage ratio approach. The second covenant is a minimum EBITDA to cash interest expense ratio of 3.0 (our "bank interest coverage ratio"). For purposes of calculating these ratios, share-based compensation expense is added back to EBITDA. As of June 30, 2012, our actual bank leverage and bank interest coverage ratios were 1.8 and 7.7, respectively, and we were in compliance with all terms of our credit facility. As of June 30, 2012, we had \$555.0 million of remaining capacity under our credit facility and we could borrow the entire amount and remain in compliance with our credit agreement.

We are rated BBB- by both Standard & Poor's and Fitch rating agencies. With the exception of a modest increase in the borrowing rate under our credit facility (0.50%), a downgrade of our credit rating would have no direct financial effect on any of our agreements or securities (or otherwise trigger a default).

Supplemental Liquidity Measure

As supplemental information, we have provided information regarding our EBITDA, a non-GAAP liquidity measure. This measure is provided in addition to, but not as a substitute for, cash flow from operating activities. EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. EBITDA, as calculated by us, may not be consistent with computations of EBITDA by other companies. As a measure of liquidity, we believe that EBITDA is useful as an indicator of our ability to service debt, make new investments and meet working capital requirements. We further believe that many investors use this information when analyzing the financial position of companies in the investment management industry.

The following table provides a reconciliation of cash flow from operations to EBITDA:

<i>(in millions)</i>	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2011	2012	2011	2012
Cash flow from operating activities	\$ 179.4	\$ 183.4	\$ 307.7	\$ 236.0
Interest expense, net of non-cash items ⁽¹⁾	16.3	16.7	33.0	33.4
Current tax provision	16.4	14.3	30.0	22.3
Income from equity method investments, net of distributions ⁽²⁾	9.7	(0.3)	(36.7)	(14.4)
Net income (non-controlling interests)	(55.5)	(54.3)	(105.9)	(109.9)
Changes in assets and liabilities	(14.0)	(31.0)	56.2	83.3
Other non-cash adjustments ⁽³⁾	(28.5)	(15.1)	(42.3)	(22.9)
EBITDA	<u>\$ 123.8</u>	<u>\$ 113.7</u>	<u>\$ 242.0</u>	<u>\$ 227.8</u>

- (1) Non-cash items include Amortization of issuance costs and Imputed interest and contingent payment arrangements (\$10.1 million and (\$38.2) million for the three months ended June 30, 2011 and 2012, respectively and \$21.0 million and (\$38.8) million for the six months ended June 30, 2011 and 2012, respectively).
- (2) Distributions from equity method investments were \$18.6 million and \$21.9 million for the three months ended June 30, 2011 and 2012, respectively and \$83.5 million and \$58.6 million for the six months ended June 30, 2011 and 2012, respectively.
- (3) Other non-cash adjustments include share-based compensation expense, tax benefits from stock options and other adjustments to reconcile Net income (controlling interest) to net cash flow from operating activities.

In the six months ended June 30, 2012, we met our cash requirements primarily through cash generated by operating activities and borrowings under our revolver. Our principal uses of cash were to make investments in new Affiliates, make distributions to Affiliate partners and repay our other liabilities. We expect that our principal uses of cash for the foreseeable future will be for investments in new and existing Affiliates, distributions to Affiliate partners, payment of principal and interest on outstanding debt, and for working capital purposes.

The following table summarizes the principal amount due at maturity of our debt obligations and convertible securities as of June 30, 2012:

<i>(in millions)</i>	Amount	Maturity Date	Form of Repayment
Senior bank debt	\$ 445.0	2016	(1)
2008 senior convertibles notes	460.0	2038	(2)
Junior convertible trust preferred securities	730.8	2036/2037	(3)

- (1) Settled in cash.
- (2) Settled in cash if holders exercise their August 2013, 2018, 2023, 2028 or 2033 put rights, and in cash or common stock at our election if the holders exercise their conversion rights.
- (3) Settled in cash or common stock (or a combination thereof) at our election if the holders exercise their conversion rights.

Senior Bank Debt

We entered into a \$1.0 billion senior unsecured credit facility in November 2011 (the "credit facility"), consisting of a \$750.0 million revolving credit facility (the "revolver") and a \$250.0 million term loan (the "term loan"), the principal terms of which are similar to our previous senior unsecured revolving credit facility. The term loan and \$720.0 million of the revolver have a five-year maturity (maturing November 3, 2016); the remaining \$30.0 million of the revolver matures January 12, 2015. Subject to certain conditions, we may increase the revolver and the term loan by up to \$150.0 million and \$250.0 million, respectively. The term loan borrowings were used to repay the outstanding balance under the previous revolving credit facility (\$210.0 million) and for general corporate purposes.

In July 2012, we received an additional \$75.0 million commitment under the revolver, increasing the facility to \$825.0 million.

The credit facility is unsecured and contains financial covenants with respect to leverage and interest coverage, as well as customary affirmative and negative covenants, including limitations on indebtedness, liens, cash dividends, asset dispositions and fundamental corporate changes.

Convertible Securities

At June 30, 2012, we have one senior convertible security outstanding ("2008 senior convertible notes") and two junior convertible trust preferred securities outstanding, one issued in 2006 (the "2006 junior convertible trust preferred securities") and a second issued in 2007 (the "2007 junior convertible trust preferred securities"). The principal terms of these securities are summarized below.

	2008 Senior Convertible Notes	2007 Junior Convertible Trust Preferred Securities	2006 Junior Convertible Trust Preferred Securities
Issue date	August 2008	October 2007	April 2006
Maturity date	August 2038	October 2037	April 2036
Next potential put date	August 2013	N/A	N/A
Par value (in millions)	\$460.0	\$430.8	\$300.0
Carrying value (in millions) ⁽¹⁾	442.8	298.6	215.4
Denomination	1,000	50	50
Current conversion rate	7.959	0.250	0.333
Current conversion price	\$125.65	\$200.00	\$150.00
Stated coupon	3.95%	5.15%	5.10%
Coupon frequency	Semi-annually	Quarterly	Quarterly
Tax deduction rate ⁽²⁾	9.38%	8.00%	7.50%

(1) The carrying value is accreted to the principal amount at maturity over an expected life of five years for the 2008 senior convertible notes and 30 years for each of the junior convertible trust preferred securities.

(2) These convertible securities are considered contingent payment debt instruments under federal income tax regulations, which require us to deduct interest in an amount greater than our reported Interest expense.

Senior Notes

In August 2012, we sold \$200.0 million aggregate principal amount of 6.375% Senior Notes due 2042 (the "2042 Senior Notes") pursuant to an underwriting agreement with three major financial institutions. The unsecured 2042 Senior Notes pay interest quarterly and may be redeemed for cash, in whole or in part, at any time, on or after August 15, 2017. The 2042 Senior Notes' Indenture includes

customary provisions regarding events of default. We intend to use substantially all of the net proceeds to repay currently outstanding indebtedness under our revolver.

Derivative Instruments

From time to time, we seek to offset our exposure to changing interest rates under our debt financing arrangements by entering into interest rate hedging contracts. These instruments are designated as cash flow hedges with changes in fair value recorded in Other comprehensive income for the effective portion of the hedge.

We have entered into interest rate swap contracts to exchange a fixed rate for the variable rate on a portion of our credit facility. These contracts expire between 2015 and 2017. Under these contracts, we will pay a weighted average fixed rate of 1.76% on a notional amount of \$100.0 million through October 2015. Thereafter, through October 2017, we will pay a weighted average fixed rate of 2.14% on a remaining notional amount of \$25.0 million. As of June 30, 2012, the unrealized loss (before taxes) on these contracts was \$3.8 million.

We also entered into treasury rate lock agreements with a total notional value of \$175.0 million which were settled in February 2011 and October 2011 for a net pre-tax loss of \$0.7 million. These contracts were intended to hedge the variability of forecasted interest payments on a fixed-rate debt issuance, the first of which was forecasted to occur by June 2012. The net loss on these contracts is reflected as a component of Other comprehensive income and will be reclassified to earnings over the life of the debt or as it becomes probable that the hedged interest rate payments will not occur.

Forward Equity Sale Agreement

In July 2011, we entered into a forward equity sale agreement with two major securities firms under which we were authorized to sell shares of our common stock with an aggregate sales price of up to \$300.0 million; no forward equity sales occurred under this arrangement. In August 2012, our Board of Directors approved an amendment and restatement of our July 2011 forward equity sale agreement, pursuant to which we may now sell shares of common stock with an aggregate sales price of up to \$400.0 million. As of August 7, 2012, no forward equity sales have occurred.

Affiliate Equity

Many of our operating agreements provide us a conditional right to call and Affiliate partners the conditional right to put their retained equity interests at certain intervals. The purchase price of these conditional purchases are generally calculated based upon a multiple of the Affiliate's cash flow distributions, which is intended to represent fair value. Affiliate management partners are also permitted to sell their equity interests to other individuals or entities in certain cases, subject to our approval or other restrictions.

Our current redemption value for these interests has been presented as Redeemable non-controlling interests on our Consolidated Balance Sheets. Although the timing and amounts of these purchases are difficult to predict, we expect to repurchase approximately \$50.0 million of Affiliate equity during 2012, and, in such event, will own the cash flow associated with any equity repurchased.

Operating Cash Flow

Cash flow from operations generally represents Net income plus non-cash charges for amortization, deferred taxes, equity-based compensation and depreciation, as well as increases and decreases in our consolidated working capital.

The decrease in cash flows from operations for the six months ended June 30, 2012 as compared to the six months ended June 30, 2011 resulted principally from decreases in distributions received

from equity method investments of \$24.9 million and in deferred income tax provision of \$19.0 million, as well as increases in settlements of Accounts payable and accrued liabilities of \$31.3 million, offset by a net decrease in settlements of fund shares receivable and payable of \$13.8 million.

Investing Cash Flow

Net cash flow used in investing activities increased \$377.5 million for the six months ended June 30, 2012 as compared to the six months ended June 30, 2011, primarily as a result of our Affiliate investments during the six months ended June 30, 2012.

Financing Cash Flow

Financing cash flows increased \$314.2 million for the six months ended June 30, 2012 as compared to the six months ended June 30, 2011. This was primarily a result of a net increase in bank debt borrowings and repayments of \$360.0 million, offset by an increase in the repurchase of common stock of \$60.9 million.

We financed our investments in Veritable and Yacktman with available cash and borrowings under our revolver.

Excess tax benefits associated with stock options have been reported as financing cash flows in the amount of \$4.8 million and \$4.9 million as of June 30, 2012 and 2011, respectively.

Under past acquisition agreements, we are contingently liable, upon achievement of specified financial targets, to make payments of up to \$568.1 million through 2017. In 2012, we expect to make total payments of approximately \$43.2 million to settle portions of these contingent arrangements. In addition, we expect to repurchase approximately \$50.0 million of interests in certain existing Affiliates in 2012.

Our Board of Directors has periodically authorized share repurchase programs (most recently October 2011). The maximum number of shares that may be repurchased under outstanding programs is approximately 2.3 million. The timing and amount of repurchases are determined at the discretion of management. In the six months ended June 30, 2012, we repurchased 0.6 million shares for \$60.9 million at an average price per share of \$107.47.

We anticipate that borrowings under the credit facility and proceeds from the closing of our senior notes offering and from the settlement of any forward equity sales, together with cash flows from operations will be sufficient to support our cash flow needs for the foreseeable future.

Contractual Obligations

The following table summarizes our contractual obligations as of June 30, 2012:

<i>(in millions)</i> <u>Contractual Obligations</u>	<u>Payments Due</u>				
	<u>Total</u>	<u>Remainder of 2012</u>	<u>2013-2014</u>	<u>2015-2016</u>	<u>Thereafter</u>
Senior bank debt	\$ 445.0	\$ —	\$ —	\$ 445.0	\$ —
Senior convertible securities ⁽¹⁾	941.5	9.1	36.3	36.3	859.8
Junior convertible trust preferred securities	1,652.8	18.5	74.1	74.1	1,486.1
Leases	152.2	14.7	50.7	42.2	44.6
Other liabilities ⁽²⁾	40.0	15.8	—	—	24.2
Derivative instruments	6.8	0.9	3.5	2.0	0.4
Total contractual obligations	\$ 3,238.3	\$ 59.0	\$ 164.6	\$ 599.6	\$ 2,415.1
Contingent Obligations					
Contingent payment obligations ⁽³⁾	\$ 95.8	\$ 43.2	\$ —	\$ 15.0	\$ 37.6

- (1) The timing of debt payments assumes that outstanding debt is settled for cash or common stock at the applicable maturity dates. The amounts include the cash payment of fixed interest. Holders of the 2008 convertible notes may put their interests to us for \$460.0 million in 2013.
- (2) Other liabilities reflect amounts payable to Affiliate managers related to our purchase of additional Affiliate equity interests and deferred purchase price payments for acquisitions. This table does not include liabilities for uncertain tax positions or commitments to co-invest in certain investment partnerships (of \$27.1 million and \$73.0 million, respectively, as of June 30, 2012 as we cannot predict when such obligations will be paid.
- (3) The amount of contingent payments related to business acquisitions disclosed in the table represents our expected settlement amounts. The maximum settlement amount related to extant investments as of June 30, 2012 is approximately \$325.9 million through 2012 and \$242.2 million in periods thereafter.

Recent Accounting Developments

In May 2011, the Financial Accounting Standards Board issued an update to the fair value measurements and disclosures guidance. The new guidance clarifies existing fair value measurement principles and expands certain disclosure requirements, particularly for measurements categorized as Level 3. The amendment is effective for interim and fiscal periods beginning after December 15, 2011. We adopted this guidance in the first quarter of 2012. Adoption of this new guidance did not have a material impact on our Consolidated Financial Statements.

In July 2012, the Financial Accounting Standards Board issued new guidance that provides the option of performing a qualitative assessment before proceeding with a quantitative impairment test for indefinite-lived intangible assets. Following an assessment of qualitative factors, if an entity determines that it is more likely than not that the fair value of the indefinite-lived asset is greater than its carrying amount, then a quantitative assessment is unnecessary. This guidance is effective for annual and interim impairment tests performed for fiscal years beginning after September 15, 2012, with early adoption permitted. Adoption of this new guidance is not expected to have a material impact on our Consolidated Financial Statements.

Critical Accounting Estimates and Judgments

Indefinite-Lived Intangible Assets

Indefinite-lived intangible assets are comprised of investment advisory contracts between our Affiliates and their sponsored registered investment companies. Because the contracts are with the registered investment companies themselves, and not with the underlying investors, and the contracts between our Affiliates and the registered investment companies are typically renewed on an annual basis, industry practice under generally accepted accounting principles is to consider the contract life to be indefinite and, as a result, not amortizable.

We perform indefinite-lived intangible asset impairment tests annually, or more frequently should circumstances suggest fair value has declined below the related carrying amount. We assess each of our indefinite-lived intangible assets for impairment by comparing their carrying value to the fair value of the investment advisory contract. During the three and six months ended June 30, 2012, we determined that the fair value of an indefinite-lived intangible asset at one of our Affiliates, a manager of growth-oriented U.S. equity mutual funds, had declined below its carrying value and, accordingly, we reduced the asset to its current fair value. The impairments totaled \$93.5 million and \$102.2 million during the three and six months ended June 30, 2012. The fair value of the indefinite-lived intangible asset was determined by discounting the projected future cash flows associated with the underlying mutual fund contracts (such cash flows being dependent upon projected growth). Our discount rates are developed with input from valuation experts. When determining the fair value of this intangible asset during the second quarter of 2012, we also determined that the useful life of this intangible asset was no longer indefinite; accordingly, we reclassified the remaining acquired client relationships to definite-lived. We will now amortize these acquired client relationships over the period we expect to derive future economic benefits. We may recognize future impairments to the extent that we conclude the carrying amount of these contracts are no longer recoverable.

Contingent Payment Arrangements

Imputed interest expense results, in part, from accreting the fair value of our contingent payment obligations to our projected future payment amounts over the expected life of these arrangements, as well as any changes to our estimate of the future payments. The fair value of our contingent payment arrangements is determined by discounting the projected future payments (such estimates being dependent upon projected revenue) using current market rates. Our discount rates are developed with input from valuation experts. Our expected lives are determined based on the contractual terms of the underlying arrangements.

For the three months ended June 30, 2012, we reduced our current estimate of payments to be made under these agreements and recognized a gain of \$47.4 million (\$34.6 million attributable to the controlling interest). During the six months ended June 30, 2012, we reduced our estimate of payments to be made under these arrangements and recognized a gain totaling \$57.3 million (\$39.6 million of which is attributable to the controlling interest). Changes to our projected future payment amounts could materially affect the amount of Imputed interest expense and contingent payment arrangements we recognize in any period. For example, a 1% change in our assumed discount rate or a 1% change in our projected revenue (assuming all other factors remain constant) at Affiliates with these types of arrangements would result in an increase or decrease to our Imputed interest expense and contingent payment arrangements of \$0.1 million and \$4.2 million, respectively.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes to our Quantitative and Qualitative Disclosures About Market Risk in the three months ended June 30, 2012. Please refer to Item 7A in our 2011 Annual Report on Form 10-K.

Item 4. Controls and Procedures

We carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures during the quarter covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of the end of the quarter covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures are effective in ensuring that (i) the information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (ii) such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and our management necessarily was required to apply its judgment in evaluating and implementing possible controls and procedures. Our disclosure controls and procedures were designed to provide reasonable assurance of achieving their stated objectives and our principal executive officer and principal financial officers concluded that our disclosure controls and procedures are effective at the reasonable assurance level. We review on an ongoing basis and document our disclosure controls and procedures, and our internal control over financial reporting, and we may from time to time make changes in an effort to enhance their effectiveness and ensure that our systems evolve with our business.

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the quarter covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

The Sarbanes-Oxley Act of 2002 provides that recent business combinations may be excluded from internal controls assessments; consequently, management will include Veritable and Yacktman in our assessment of internal control over financial reporting for the year ended December 31, 2013.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

- (a) None.
- (b) None.
- (c) Purchases of Equity Securities by the Issuer.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under Outstanding Plans or Programs ⁽¹⁾
April 1–30, 2012	80,000	\$ 114.04	80,000	2,440,472
May 1–31, 2012	111,723	105.75	111,723	2,328,749
June 1–30, 2012	40,000	97.58	40,000	2,288,749
Total	<u>231,723</u>	\$ 107.20	<u>231,723</u>	

- (1) In February 2007, July 2010 and October 2011, the Board of Directors approved share repurchase programs authorizing us to repurchase up to 3.0 million, 0.5 million and 2.0 million shares, respectively, of our common stock. As of June 30, 2012, 2.3 million shares remain available for repurchase under these programs, which do not expire. Purchases may be made from time to time, at management's discretion.

Item 6. Exhibits

The exhibits are listed on the Exhibit Index and are included elsewhere in this Quarterly Report on Form 10-Q.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AFFILIATED MANAGERS GROUP, INC.
(Registrant)

August 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
*on behalf of the Registrant as Chief Financial Officer and Treasurer (and also as
Principal Financial and Principal Accounting Officer)*

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
1.1	Underwriting Agreement related to the 6.375% Senior Notes due 2042, dated as of August 1, 2012, by and among Affiliated Managers Group, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, and Deutsche Bank Securities Inc. as Representatives of the several Underwriters named in Schedule I thereto.
3.1	Amended and Restated By-laws (incorporated by reference to the Company's Current Report on Form 8-K (No. 001-13459), filed July 31, 2012).
4.1	Indenture, dated as of August 8, 2012, by and between Affiliated Managers Group, Inc. and Wells Fargo Bank, National Association, as Trustee.
4.2	First Supplemental Indenture related to the 6.375% Senior Notes due 2042, dated as of August 8, 2012, by and between Affiliated Managers Group, Inc. and Wells Fargo Bank, National Association, as Trustee.
5.1	Opinion of Ropes & Gray LLP as to the validity of the 6.375% Senior Notes due 2042.
5.2	Opinion of Ropes & Gray LLP as to the validity of the shares to be issued pursuant to each of the Confirmation Letter Agreements dated August 8, 2012 and any subsequent related Confirmation Letter Agreements.
10.1	Joinder Agreement, dated as of July 25, 2012, by and among Affiliated Managers Group, Inc., Royal Bank of Canada, and Bank of America, N.A., as Administrative Agent under the Company's Fifth Amended and Restated Credit Agreement.
10.2	Amended and Restated Distribution Agency Agreement, dated as of August 8, 2012, by and among Affiliated Managers Group, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, and Bank of America, N.A.
10.3	Form of Confirmation Letter Agreement, dated as of August 8, 2012, by and between Affiliated Managers Group, Inc. and Bank of America, N.A.
10.4	Amended and Restated Distribution Agency Agreement, dated as of August 8, 2012, by and among Affiliated Managers Group, Inc., Deutsche Bank Securities Inc., and Deutsche Bank AG, London Branch.
10.5	Form of Confirmation Letter Agreement, dated as of August 8, 2012, by and among Affiliated Managers Group, Inc., Deutsche Bank Securities Inc., and Deutsche Bank AG, London Branch.
23.1	Consent of Ropes & Gray LLP (included in Exhibit 5.1).
23.2	Consent of Ropes & Gray LLP (included in Exhibit 5.2).
31.1	Certification of Registrant's Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Registrant's Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Registrant's Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Registrant's Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements from the Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 are furnished herewith, formatted in XBRL (eXtensible Business Reporting Language): (i) the Consolidated Statements of Income for the three month periods ended June 30, 2012 and 2011, (ii) the Consolidated Balance Sheets at June 30, 2012 and December 31, 2011, (iii) the Consolidated Statement of Equity for the three month period ended March 31, 2012, (iv) the Consolidated Statements of Cash Flows for the three month periods ended June 30, 2012 and 2011, and (v) the Notes to the Consolidated Financial Statements.

QuickLinks

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[AFFILIATED MANAGERS GROUP, INC. CONSOLIDATED STATEMENTS OF INCOME \(in millions, except per share data\) \(unaudited\)](#)

[AFFILIATED MANAGERS GROUP, INC. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME \(in millions\) \(unaudited\)](#)

[AFFILIATED MANAGERS GROUP, INC. CONSOLIDATED BALANCE SHEETS \(in millions\) \(unaudited\)](#)

[AFFILIATED MANAGERS GROUP, INC. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY \(in millions\) \(unaudited\)](#)

[AFFILIATED MANAGERS GROUP, INC. CONSOLIDATED STATEMENTS OF CASH FLOWS \(in millions\) \(unaudited\)](#)

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AFFILIATED MANAGERS GROUP, INC.

\$200,000,000

6.375% SENIOR NOTES DUE 2042

UNDERWRITING AGREEMENT

DATED AUGUST 1, 2012

Underwriting Agreement

August 1, 2012

Merrill Lynch, Pierce, Fenner & Smith
 Incorporated
 Wells Fargo Securities, LLC
 Deutsche Bank Securities Inc.
 As Representatives of the several Underwriters
 listed in Schedule I hereto

c/o Merrill Lynch, Pierce, Fenner & Smith
 Incorporated
 One Bryant Park
 New York, New York 10036

c/o Wells Fargo Securities, LLC
 301 S. College Street
 Charlotte, North Carolina 28202

c/o Deutsche Bank Securities Inc.
 60 Wall Street
 New York, New York 10005

Ladies and Gentlemen:

Affiliated Managers Group, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule I hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), \$200,000,000 aggregate principal amount of its 6.375% Senior Notes due 2042 (the "Securities"). The Securities will be issued pursuant to a base indenture and a supplemental indenture, each to be dated as of August 8, 2012 (collectively, the "Indenture"), between the Company and Wells Fargo Bank, National Association, as trustee (the "Trustee").

The Company hereby confirms its agreement with the several Underwriters concerning the purchase and sale of the Securities, as follows:

Section 1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), an "automatic shelf registration statement," as defined in Rule 405 under the Securities Act, on Form S-3 (File No. 333-168627), including a prospectus, to be used in connection with the public offering and sale of the Securities, which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "Exchange Act"). Such registration statement, as it may have heretofore been amended, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) at the time it became effective and the prospectus included in the Registration Statement at its most recent effective date that

omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Securities. Any reference in this Agreement to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the effective date of the Registration Statement or the date of such Preliminary Prospectus or the Prospectus, as the case may be and any reference to "amend", "amendment" or "supplement" with respect to the Registration Statement, any Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents filed after such date under the Exchange Act that are deemed to be incorporated by reference therein. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the time when sales of the Securities were first made (the "Time of Sale"), the Company had prepared the following information (collectively, the "Time of Sale Information"), a Preliminary Prospectus dated August 1, 2012, and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex B hereto as constituting part of the Time of Sale Information.

Section 2. Purchase of the Securities by the Underwriters. (a) The Company agrees to issue and sell the Securities to the several Underwriters as provided in this Agreement, and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase from the Company the respective principal amount of Securities set forth opposite such Underwriter's name in Schedule I hereto at a price equal to 96.85% of the principal amount thereof for retail orders (\$110,166,875 purchase price in respect of \$113,750,000 aggregate principal amount) and 98.00% of the principal amount thereof for institutional orders (\$84,525,000 purchase price in respect of \$86,250,000 aggregate principal amount), plus accrued interest, if any, from August 8, 2012 to the Closing Date (as defined below) (the "Purchase Price"). The Company will not be obligated to deliver any of the Securities except upon payment for all the Securities to be purchased as provided herein.

The Company understands that the Underwriters intend to make a public offering of the Securities as soon after the effectiveness of this Agreement as in the judgment of the Representatives is advisable, and initially to offer the Securities on the terms set forth in the Prospectus. The Company acknowledges and agrees that the Underwriters may offer and sell Securities to or through any affiliate of an Underwriter and that any such affiliate may offer and sell Securities purchased by it to or through any Underwriter.

(b) Payment for and delivery of the Securities will be made at the offices of Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York, NY 10006 at 10:00 A.M., New York City time, on August 8, 2012, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing. The time and date of such payment and delivery for the Securities is referred to herein as the "Closing Date."

(c) Payment for the Securities shall be made by wire transfer in immediately available funds to the account(s) specified by the Company to the Representatives against delivery to the nominee of The Depository Trust Company, for the account of the Underwriters, of one or more global notes representing the Securities (collectively, the "Global Note"), with any transfer taxes payable in connection with the sale of the Securities duly paid by the Company. The Global Note will be made available for inspection by the Representatives not later than 1:00 P.M., New York City time, on the business day prior to the Closing Date.

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(d) The Company acknowledges and agrees that the Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Underwriters shall have no responsibility or liability to the Company with respect thereto. Any review by the Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

Section 3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter that:

(a) Preliminary Prospectus. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus, at the time of filing thereof, complied in all material respects with the Securities Act and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus.

(b) Time of Sale Information. The Time of Sale Information, at the Time of Sale did not, and at the Closing Date will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Time of Sale Information. No statement of material fact included in the Prospectus was omitted from the Time of Sale Information if such statement of material fact would have been necessary to make the statements in the Time of Sale Information, in light of the circumstances under which they were made, not misleading, and no statement of material fact included in the Time of Sale Information that is required to be included in the Prospectus has been omitted therefrom.

(c) Issuer Free Writing Prospectus. The Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Securities (each such communication by the Company or its agents and representatives (other than a communication referred to in clauses (i) (ii) and (iii) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act, (ii) the Preliminary Prospectus, (iii) the Prospectus, (iv) the documents listed on Annex B hereto as constituting the Time of Sale Information and (v) any electronic road show or other written communications, in each case approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complied in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433 under the Securities Act) filed in accordance with the

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Securities Act (to the extent required thereby) and, when taken together with the Preliminary Prospectus accompanying, or delivered prior to delivery of, or filed prior to the first use of such Issuer Free Writing Prospectus, did not, and at the Closing Date, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Issuer Free Writing Prospectus.

(d) *Registration Statement and Prospectus.* The Registration Statement is an “automatic shelf registration statement” as defined in Rule 405 under the Securities Act that has been filed with the Commission not earlier than three years prior to the date hereof; and no notice of objection of the Commission to the use of such registration statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company. No order suspending the effectiveness of the Registration Statement has been issued by the Commission and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering has been initiated or threatened by the Commission; as of the applicable effective date of the Registration Statement and any amendment thereto, the Registration Statement complied and will comply in all material respects with the Securities Act and the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission thereunder (collectively, the “Trust Indenture Act”), and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date, the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation and warranty with respect to (i) that part of the Registration Statement that constitutes the Statement of Eligibility and Qualification (Form T-1) of the Trustee under the Trust Indenture Act or (ii) any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto.

(e) *Incorporated Documents.* Each document filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Registration Statement, the Time of Sale Information or the Prospectus complied when it was filed, or will comply when it is filed, as the case may be, in all material respects with the Exchange Act and, when read together with the other information in the Registration Statement, the Time of Sale Information or the Prospectus, (a) at the Time of Sale and (b) on the Closing Date, each document filed and incorporated by reference will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(f) *Statements in the Registration Statement, the Time of Sale Information and the Prospectus.* The statements in the Registration Statement, the Time of Sale Information and the Prospectus under the heading “Certain United States Federal Income Tax Consequences” insofar as such statements summarize legal matters, agreements, documents or proceedings discussed therein, are accurate and fair summaries of such legal matters, agreements, documents or proceedings.

(g) *Authorization of the Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

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(h) *Authorization of the Indenture.* The Indenture has been duly authorized by the Company and duly qualified under the Trust Indenture Act and, when duly executed and delivered in accordance with its terms by each of the parties thereto, will constitute a valid and legally binding agreement of the Company enforceable against the Company in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally or by equitable principles relating to enforceability.

(i) *Authorization of the Securities.* The Securities have been duly authorized by the Company and, at the Closing Time, will have been duly executed by the Company and, when authenticated, issued and delivered in the manner provided for in the Indenture and delivered to the Underwriters against payment of the purchase price therefor as described in the Registration Statement, the Time of Sale Information and the Prospectus, will constitute valid and binding obligations of the Company, entitled to the benefits of the Indenture and enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights generally or by equitable principles relating to enforceability.

(j) *Descriptions of the Transaction Documents.* The description of Agreement, the Securities and the Indenture (collectively, the “Transaction Documents”) set forth in the Registration Statement, the Time of Sale Information and the Prospectus is correct in all material respects.

(k) *No Material Adverse Effect.* Since June 30, 2012, except as set forth in the Registration Statement, the Time of Sale Information and the Prospectus, (i) there has been no material adverse change or prospective material adverse change in the business, management, financial position, stockholders equity or results of operations of the Company and its subsidiaries considered as one enterprise from that set forth in the Registration Statement, the Time of Sale Information and the Prospectus, whether or not arising in the ordinary course of business (a “Material Adverse Effect”), (ii) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(l) *Independent Accountants.* PricewaterhouseCoopers LLP, who have expressed their opinion with respect to the financial statements (which term as used in this Agreement includes the related notes thereto) and supporting schedules included as a part of, or incorporated by reference in, the Registration Statement, the Time of Sale Information and the Prospectus, are independent registered public accountants with respect to the Company as required by the Securities Act and the applicable published rules and regulations thereunder.

(m) *Financial Statements.* The financial statements included in or incorporated by reference into the Registration Statement, the Time of Sale Information and the Prospectus, together with the related schedules and notes, present fairly in all material respects (i) the financial position of the Company and its consolidated subsidiaries at the dates indicated and (ii) the consolidated statements of income, changes in stockholders’ equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles (“GAAP”) applied on a consistent basis throughout the periods involved, except as stated therein. The supporting schedules incorporated by reference into the Registration Statement, the Time of Sale Information and the Prospectus present fairly, in accordance with GAAP, the information required to be stated therein. Any *pro forma* financial statements of the Company, and the related notes thereto, included in or incorporated by reference into the Registration Statement and the Prospectus present fairly in all material respects the information shown therein, have been prepared in accordance with the Commission’s

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rules and guidelines with respect to *pro forma* financial statements and have been properly compiled on the basis described therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. The summary financial information included in the Registration Statement, the Time of Sale Information and the Prospectus present fairly in all material respects the information shown therein, and have been compiled on a basis consistent in all material respects with that of the audited financial statements included in or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus. No other financial statements are required to be set forth in or incorporated by reference into the Registration Statement or the Prospectus under the 1933 Act or the 1933 Act Regulations.

(n) *Good Standing of the Company.* The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the Time of Sale Information and the Prospectus and to enter into and perform its obligations under, or as contemplated by, this Agreement. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

(o) *Good Standing of Subsidiaries.* Each subsidiary of the Company has been duly organized or formed and is validly existing as a corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, under the laws of its jurisdiction of organization and is in good standing under the laws of its jurisdiction of organization, has power (corporate or otherwise) and authority to own, lease and operate its properties and to conduct its business as described in the Registration Statement, the Time of Sale Information and the Prospectus and is duly qualified as a foreign corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect. Except as otherwise disclosed in the Registration Statement, the Time of Sale Information and Prospectus, all of the issued shares of capital stock of each subsidiary of the Company which is a corporation, have been duly authorized and validly issued and are fully paid and non-assessable, and to the extent owned by the Company or any of its subsidiaries (except for directors' qualifying shares and as described or reflected generally in the Registration Statement, the Time of Sale Information and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, in each case with such exceptions, individually or in the aggregate, as would not have a Material Adverse Effect. The partnership interests, membership interests and shares of beneficial interest of each subsidiary of the Company which is a partnership, limited liability company or Massachusetts business trust have been validly issued in accordance with applicable law and the partnership agreement, limited liability agreement or declaration of trust, as applicable, of such subsidiary, and to the extent owned by the Company or any of its subsidiaries (except as described or reflected generally in the Registration Statement, the Time of Sale Information and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except, in the case of each subsidiary of the Company, for liens, encumbrances, equities or claims which individually or in the aggregate would not be material to the Company's ownership of such subsidiary or to the Company's exercise of its rights with respect to such subsidiary; and none of the outstanding shares of capital stock, partnership interests, membership interests or shares of beneficial interests, as the case may be, of any subsidiary of the Company was issued in violation of the preemptive or similar rights of any securityholder of such subsidiary.

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(p) *Capitalization.* The Company has the authorized, issued and outstanding capitalization described in the Registration Statement, the Time of Sale Information and the Prospectus (except for subsequent issuances, if any, pursuant to reservations, agreements or employee benefit plans or pursuant to the exercise of convertible securities or options, in each case accurately described or reflected in the Registration Statement, the Time of Sale Information and the Prospectus, as amended or supplemented). The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; and none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those accurately described or reflected in the Registration Statement, the Time of Sale Information and the Prospectus, as amended or supplemented, or pursuant to reservations, agreements or employee benefit plans or the exercise of convertible securities or options, in each case accurately described or reflected in the Time of Sale Information and the Prospectus, as amended or supplemented.

(q) *Absence of Defaults and Conflicts.* Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws or other constituting or organizational document or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party, or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary of the Company is subject (collectively, "*Agreements and Instruments*"), except for such defaults that would not result in a Material Adverse Effect; and the execution, delivery and performance of each of the Transaction Documents and any other agreement or instrument entered into or issued, or to be entered into or issued by, the Company in connection with the transactions contemplated hereby or thereby or in the Registration Statement, the Time of Sale Information and the Prospectus and the consummation of the transactions contemplated herein and in the Registration Statement, the Time of Sale Information and the Prospectus (including the issuance and sale of the Securities by the Company and the use of the proceeds by the Company from the sale of the Securities as described in the Registration Statement, the Time of Sale Information and the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder and thereunder, have been duly authorized by all necessary corporate action and do not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary of the Company pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not result in a Material Adverse Effect), nor will such action result in any violation of the provisions of the charter or by-laws or other constituting or organizational instrument as in effect on the date hereof of the Company or any subsidiary of the Company or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary of the Company or any of their assets, properties or operations, except for any such violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of law which would not result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary of the Company.

(r) *Absence of Further Requirements.* No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder or under the

contemplated by the Transaction Documents) or for the due execution, delivery or performance of the Transaction Documents, except such as have been already obtained or as may be required under the Securities Act and the rules and regulations thereunder or state securities laws and except for the qualification of the Indenture under the Trust Indenture Act.

(s) *No Material Actions or Proceedings.* Except as disclosed in the Registration Statement, the Time of Sale Information and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any subsidiary, which, singly or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be expected to materially and adversely affect the consummation of the transactions contemplated in the Transaction Documents or the performance by the Company of its obligations hereunder or thereunder.

(t) *Accuracy of Exhibits.* All of the descriptions of contracts or other documents contained or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus are accurate and complete descriptions in all material respects of such contracts or other documents.

(u) *Possession of Licenses and Permits.* The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except in any such case where the failure to so possess or to comply would not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

(v) *Title to Properties.* The Company and its subsidiaries have good and marketable title to all real property owned by the Company and its subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the Registration Statement, the Time of Sale Information and the Prospectus or (b) would not, singly or in the aggregate, result in a Material Adverse Effect; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the Registration Statement, the Time of Sale Information and the Prospectus, are in full force and effect, and neither the Company nor any subsidiary of the Company has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary of the Company under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease.

(w) *No Investment Company.* Neither the Company nor any of its subsidiaries is, or, upon the issuance and sale by the Company of the Securities as herein contemplated and the application of the proceeds therefrom as described in the Registration Statement, the Time of Sale Information and the Prospectus, will be, an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(x) *Company Not an Investment Adviser.* The Company is not required to register as an "investment adviser" or as a "broker-dealer" within the Investment Advisers Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Advisers Act") or the Exchange Act. The Company is not required to be registered, licensed or qualified as an investment adviser or broker-dealer under the laws requiring any such registration, licensing or qualification in any jurisdiction in which it or its subsidiaries conduct business. Each of the subsidiaries has been duly registered as an investment adviser under the Advisers Act, and has been duly registered as a broker-dealer under the Exchange Act, and each such registration is in full force and effect, in each case to the extent such registration is required and with such exceptions as would not reasonably be expected to have a Material Adverse Effect. Each of the subsidiaries is duly registered, licensed or qualified as an investment adviser and broker-dealer under state and local laws where such registration, licensing or qualification is required by such laws and is in compliance with all such laws requiring any such registration, licensing or qualification, in each case with such exceptions, individually or in the aggregate, as would not reasonably be expected to have a Material Adverse Effect.

(y) *Compliance with Laws.* Each subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is and has been in compliance with all applicable laws and governmental rules and regulations, as may be applicable to its investment advisory or broker-dealer business, except to the extent that such non-compliance would not reasonably be expected to result in a Material Adverse Effect and none of such subsidiaries is prohibited by any provision of the Advisers Act or the Investment Company Act from acting as an investment adviser. Each subsidiary of the Company which is required to be registered as a broker-dealer is a member in good standing of the Financial Industry Regulatory Authority ("FINRA"). No subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is in default with respect to any judgment, order, writ, injunction, decree, demand or assessment issued by any court or any foreign, federal, state, municipal or other governmental agency, board, commission, bureau, instrumentality or department, domestic or foreign, or by any self-regulatory authority relating to any aspect of its investment advisory or broker-dealer business, which would need to be disclosed pursuant to Rule 206(4)-4(b) under the Advisers Act, or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 11, Part 1 of the Form ADV of such registered investment adviser or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 7 of the Form BD of such broker-dealer.

(z) *Registration of Funds.* Each mutual fund of which a subsidiary of the Company serves as the investment advisor (a "Mutual Fund") has been since inception, is currently and will be immediately after consummation of the transactions contemplated herein, a duly registered investment company in compliance with the Investment Company Act, and the rules and regulations promulgated thereunder and duly registered or licensed, except where any failure to be duly registered, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. Since their initial offering, shares of each of the Mutual Funds have been duly qualified for sale under the securities laws of each jurisdiction in which they have been sold or

offered for sale at such time or times during which such qualification was required, and, if not so qualified, the failure to so qualify would not reasonably be expected to have a Material Adverse Effect. The offering and sale of shares of each of the Mutual Funds have been registered under the Securities Act during such period or periods for which such registration is required; the related registration statement has become effective under the Securities Act; no stop order suspending the effectiveness of any such registration statement has been issued and no proceedings for that purpose have been instituted or, to the knowledge of the Company, are contemplated. Except to the extent that such failure to comply, misstatement or omission, as the case may be, would not result in a Material Adverse Effect, the registration statement of each Mutual Fund, together with the amendments and supplements thereto, under the Investment Company Act and the Securities Act has, at all times when such registration statement was effective, complied in all material respects with the requirements of the Investment Company Act and the Securities Act then in effect and neither such registration statement nor any amendments or

supplements thereto contained, at the time and in light of the circumstances in which they were made, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, at the time and in the light of the circumstances under which they were made, not misleading. All shares of each of the Mutual Funds were sold pursuant to an effective registration statement, or pursuant to a valid exemption from registration, and have been duly authorized and are validly issued, fully paid and non-assessable. Each of the Mutual Funds' investments has been made in accordance with its investment policies and restrictions set forth in its registration statement in effect at the time the investments were made and have been held in accordance with its respective investment policies and restrictions, to the extent applicable and in effect at the time such investments were held, except to the extent any failure to comply with such policies and restrictions, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(aa) *Investment Advisory Agreements.* The Company is not party to any investment advisory agreement or distribution agreement and is not serving or acting as an investment adviser to any person. Each of the investment advisory agreements to which any of its subsidiaries is a party is a legal and valid obligation of such subsidiary and complies with the applicable requirements of the Advisers Act and the rules and regulations of the Commission thereunder, except where the failure to so comply would not, individually or in the aggregate, be expected to have a Material Adverse Effect. Each of the investment advisory agreements and distribution agreements between a subsidiary of the Company and a Mutual Fund is a legal and valid obligation of such subsidiary and complies with the applicable requirements of the Investment Company Act, and in the case of such distribution agreements, with the applicable requirements of the Exchange Act, except where the failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No investment advisory agreement or distribution agreement to which any of the subsidiaries is a party that was either in effect on January 1, 2009 or entered into by a subsidiary of the Company since January 1, 2009 has been terminated or expired, except where any such termination or expiration would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of such subsidiaries is in breach or violation of or in default under any such investment advisory agreement or distribution agreement, with such exceptions individually or in the aggregate as would not reasonably be expected to have a Material Adverse Effect. No subsidiary of the Company is serving or acting as an investment adviser to any person except pursuant to an agreement to which such subsidiary is a party and which is in full force and effect, other than any agreement the non-existence of which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The consummation of the transaction contemplated herein will not constitute an "assignment" as such term is defined in the Advisers Act and the Exchange Act.

(bb) *Internal Control over Financial Reporting.* The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the Exchange Act) that complies with the requirements of the Exchange Act and has been designed by the Company's principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting, the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement. The Company's internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting. Since the date of the latest audited financial statements included or incorporated by reference in the Registration Statement, the Time of Sale Information and the Prospectus, there has been no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(cc) *eXtensible Business Reporting Language.* The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the

information called for in all material respects and has been prepared in accordance with the Commission's rules and guidelines applicable thereto.

(dd) *Disclosure Controls and Procedures.* The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) that comply with the requirements of the Exchange Act; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company's principal executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective.

(ee) *No Price Stabilization or Manipulation.* The Company has not taken, and will not take, directly or indirectly, any action designed to or that might be reasonably expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(ff) *Brokers.* There is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder's fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(gg) *No Unlawful Payments.* Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any of its subsidiaries has (i) used any corporate funds of the Company or any of its subsidiaries for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds of the Company or any of its subsidiaries; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977 relating to activities of the Company or any of its subsidiaries; or (iv) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment on behalf of the Company or any of its subsidiaries.

(hh) *Compliance with Money Laundering Laws.* The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the “Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(ii) *Compliance with OFAC.* None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee or Affiliate of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury (“OFAC”); and the Company will not directly or indirectly use the proceeds of the offering of the Securities hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

Any certificate signed by an officer of the Company and delivered to the Underwriters or to counsel for the Underwriters shall be deemed to be a representation and warranty by the Company to the Underwriters as to the matters set forth therein.

Section 4. Covenants of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus (including the Term Sheet substantially in the form of Annex C hereto) to the extent required by Rule 433 under the Securities Act; and will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and for so long as the delivery of a prospectus is required in connection with the offering or sale of the Securities; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request. The Company will pay the registration fees for this offering within the time period required by Rule 456(b)(1)(i) under the Securities Act (without giving effect to the proviso therein) and in any event prior to the Closing Date.

(b) *Delivery of Copies.* The Company will deliver, without charge, (i) to the Representatives, two signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto) and each Issuer Free Writing Prospectus as the Representatives may reasonably request. As used herein, the term “Prospectus Delivery Period” means such period of time after the first date of the public offering of the Securities as in the opinion of counsel for the Underwriters a prospectus relating to the Securities is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Securities by any Underwriter or dealer.

(c) *Amendments or Supplements; Issuer Free Writing Prospectuses.* Before making, preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not make, prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably and promptly objects.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing, (i) when any amendment to the Registration Statement has been filed or becomes effective; (ii) when any supplement to the Prospectus or any amendment to the Prospectus or any Issuer Free Writing Prospectus has been filed; (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information; (iv) of the issuance by the Commission of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus or the Prospectus or the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (v) of the occurrence of any event within the Prospectus Delivery Period as a result of which the Prospectus, the Time of Sale Information or any Issuer Free Writing Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Time of Sale Information or any such Issuer

Free Writing Prospectus is delivered to a purchaser, not misleading; (vi) of the receipt by the Company of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Securities for offer and sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending any such qualification of the Securities and, if any such order is issued, will obtain as soon as possible the withdrawal thereof.

(e) *Time of Sale Information.* If at any time prior to the Closing Date (i) any event shall occur or condition shall exist as a result of which the Time of Sale Information as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances, not misleading or (ii) it is necessary to amend or supplement the Time of Sale Information to comply with law, the Company will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Time of Sale Information as may be necessary so that the statements in the Time of Sale Information as so amended or supplemented will not, in the light of the circumstances, be misleading or so that the Time of Sale Information will comply with law.

(f) *Ongoing Compliance.* If during the Prospectus Delivery Period (i) any event shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company will immediately notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate, such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law.

(g) *Blue Sky Compliance.* The Company will qualify the Securities for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will continue such qualifications in effect so long as required for distribution of the Securities; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(h) *Compliance with Securities Law.* During the Prospectus Delivery Period, the Company will comply with all applicable securities and other laws, rules and regulations, including, without limitation, the Sarbanes-Oxley Act, and use its best efforts to cause the Company's directors and officers, in their capacities as such, to comply with such laws, rules and regulations, including, without limitation, the provisions of the Sarbanes-Oxley Act.

(i) *Earnings Statement.* The Company will make generally available to its security holders and the Representatives as soon as practicable an earnings statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at

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least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement.

(j) *Clear Market.* During the period from the date hereof through and including the 30th day following the date hereof, the Company will not, without the prior written consent of the Representatives, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Company and having a tenor of more than one year.

(k) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Securities as described in the Registration Statement, the Time of Sale Information and the Prospectus under the heading "Use of Proceeds".

(l) *Investment Limitation.* The Company shall not invest or otherwise use the proceeds received by the Company from its sale of the Securities in such a manner as would require the Company or any of its subsidiaries to register as an investment company under the Investment Company Act.

(m) *No Price Stabilization or Manipulation.* The Company will not take, directly or indirectly, any action designed to cause or result in, or that has constituted or might reasonably be expected to constitute, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any securities of the Company to facilitate the sale or resale of the Securities.

(n) *Record Retention.* The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(o) *Listing.* The Company will use its best efforts to effect the listing of the Securities as specified in the Prospectus.

(p) *DTC.* The Company will cooperate with the Representatives and use its best efforts to permit the Securities to be eligible for clearance and settlement through The Depository Trust Company.

Section 5. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not used and will not use, authorize use of, refer to, or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that, solely as a result of use by such Underwriter, would not trigger an obligation to file such free writing prospectus with the Commission pursuant to Rule 433, (ii) any Issuer Free Writing Prospectus listed on Annex B or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such Underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus"). Notwithstanding the foregoing, the Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company.

(b) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

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Section 6. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase Securities on the Closing Date as provided herein is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose, pursuant to Rule 401(g)(2) or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Accountants' Comfort Letter.* On the date of this Agreement and the Closing Date, the Representatives shall have received from PricewaterhouseCoopers LLP, independent public accountants for the Company, a letter dated the date of this Agreement or the Closing Date, addressed to the Representatives, in form and substance reasonably satisfactory to the Representatives.

(c) *No Material Adverse Effect or Ratings Agency Change.* For the period from and after the date of this Agreement and prior to the Closing Date:

(i) in the judgment of the Representatives there shall not have occurred any Material Adverse Effect;

(ii) there shall not have been any change or decrease specified in the letter or letters referred to in paragraph (b) of this Section 6 which is, in the sole judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the offering or delivery of the Securities as contemplated by the Registration Statement, the Time of Sale Information and the Prospectus; and

(iii) there shall not have occurred any downgrading, nor shall any notice have been given of any intended or potential downgrading or of any review for a possible change that does not indicate the direction of the possible change, in the rating accorded any securities of the Company or any of its subsidiaries by any "nationally recognized statistical rating organization" as such term is defined in Section 3(a)(62) of the Exchange Act.

(d) *Opinion of Counsel for the Company.* On the Closing Date, the Representatives shall have received the favorable opinion of Ropes & Gray LLP, counsel for the Company, dated as of such Closing Date, in form and substance reasonably satisfactory to the Representatives.

(e) *Opinion of Counsel for the Underwriters.* On the Closing Date, the Representatives shall have received the favorable opinion of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Underwriters, dated as of such Closing Date, in form and substance reasonably satisfactory to the Representatives; and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) *Officers' Certificate.* On the Closing Date, the Representatives shall have received a written certificate executed by any two of a Senior Vice President, the Vice Chairman, General Counsel and Secretary, and the Chief Financial Officer and Treasurer, dated as of such Closing Date, to the effect that the signers of such certificate have carefully examined the Registration Statement, the Time of Sale

Information the Prospectus, any amendments or supplements thereto and this Agreement, to the effect set forth in subsection (c)(iii) of this Section 6, and further to the effect that:

(i) for the period from and after the date of this Agreement and prior to such Closing Date, there has not occurred any Material Adverse Effect;

(ii) the representations and warranties of the Company set forth in Section 3 of this Agreement are true and correct on and as of such Closing Date, with the same force and effect as though expressly made on and as of such Closing Date; and

(iii) the Company has complied with all the agreements hereunder and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such Closing Date.

(g) *Additional Documents.* On or before the Closing Date, the Representatives and counsel for the Representatives shall have received such information, documents and opinions as they may reasonably require for the purposes of enabling them to pass upon the issuance and sale of the Securities as contemplated herein, or in order to evidence the accuracy of any of the representations and warranties, or the satisfaction of any of the conditions or agreements, herein contained.

Section 7. Indemnification and Contribution.

(a) *Indemnification of the Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable legal fees and other reasonable expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, (ii) or any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information, or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein.

(b) *Indemnification of the Company.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance

upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Issuer Free Writing Prospectus or any Time of Sale Information.

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of

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which indemnification may be sought pursuant to either paragraph (a) or (b) above, such person (the “Indemnified Person”) shall promptly notify the person against whom such indemnification may be sought (the “Indemnifying Person”) in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under this Section 7 except to the extent that it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under this Section 7. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section 7 that the Indemnifying Party may designate in such proceeding and shall pay the fees and expenses of such proceeding and shall pay the reasonable fees and expenses of counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such reasonable fees and expenses shall be reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final, non-appealable judgment for the plaintiff, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement or judgment. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for reasonable fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraphs (a) and (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the

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relative benefits received by the Company on the one hand and the Underwriters on the other from the offering of the Securities or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company on the one hand and the Underwriters on the other in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Underwriters on the other shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Securities and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Securities. The relative fault of the Company on the one hand and the Underwriters on the other shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties’ relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any reasonable legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of this Section 7, in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Securities exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters’ obligations to contribute pursuant to this Section 7 are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 7 are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

Section 8. Effectiveness of Agreement. This Agreement shall become effective upon the execution and delivery hereof by the parties hereto.

Section 9. Termination. Prior to the Closing Date, this Agreement may be terminated by the Underwriters by notice given to the Company if at any time (i) trading or quotation in any of the Company's securities shall have been suspended or limited by the Commission or by the New York Stock Exchange, (ii) trading in securities generally on the New York Stock Exchange shall have been suspended or limited, or minimum or maximum prices shall have been generally established by the Commission or FINRA or on either such stock exchange; (iii) a general banking moratorium shall have been declared by federal or New York authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States has occurred; or (iv) there shall have occurred any outbreak or escalation of national or international hostilities or declaration of a national emergency or war by the United States or any crisis or calamity, or any change in the United States or international financial markets, or any substantial change or development involving a prospective substantial change in United States' or international political, financial or economic conditions, as in the judgment of the Underwriters is material and adverse

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and makes it impracticable or inadvisable to market the Securities in the manner and on the terms described in the Registration Statement, the Time of Sale Information and the Prospectus or to enforce contracts for the sale of securities. Any termination pursuant to this Section 9 shall be without liability on the part of (a) the Company to the Underwriters, except that the Company shall be obligated to reimburse the expenses of the Underwriters as provided in Section 11(b) hereof or (b) the Underwriters to the Company.

Section 10. Defaulting Underwriter. (a) If, on the Closing Date, any Underwriter defaults on its obligation to purchase the Securities that it has agreed to purchase hereunder, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Securities by other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-defaulting Underwriters do not arrange for the purchase of such Securities, then the Company shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Securities on such terms. If other persons become obligated or agree to purchase the Securities of a defaulting Underwriter, either the non-defaulting Underwriters or the Company may postpone the Closing Date for up to five full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement, the Time of Sale Information and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement, the Time of Sale Information and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriters" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule I hereto that, pursuant to this Section 10, purchases Securities that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate principal amount of such Securities that remains unpurchased does not exceed one-eleventh of the aggregate principal amount of all the Securities, then the Company shall have the right to require each non-defaulting Underwriter to purchase the principal amount of Securities that such Underwriter agreed to purchase hereunder plus such Underwriter's pro rata share (based on the principal amount of Securities that such Underwriter agreed to purchase hereunder) of the Securities of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Securities of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate principal amount of such Securities that remains unpurchased exceeds one-eleventh of the aggregate principal amount of all the Securities, or if the Company shall not exercise the right described in paragraph (b) above, then this Agreement shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 11 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company or any non-defaulting Underwriter for damages caused by its default.

Section 11. Payment of Expenses. (a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Securities and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities

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Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Time of Sale Information and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the costs of reproducing and distributing each of the Transaction Documents; (iv) the fees and expenses of the Company's counsel and independent accountants; (v) the fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Securities under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related fees and expenses of counsel for the Underwriters); (vi) any fees charged by rating agencies for rating the Securities; (vii) the fees and expenses of the Trustee and any paying agent (including related fees and expenses of any counsel to such parties); (viii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, the Financial Industry Regulatory Authority; (ix) the fees and expenses incurred in connection with the listing of the Securities and (x) all expenses incurred by the Company in connection with any "road show" presentation to potential investors.

(b) If (i) this Agreement is terminated pursuant to Section 9(i), (ii) the Company for any reason not permitted by this Agreement fails to tender the Securities for delivery to the Underwriters or (iii) the Underwriters decline to purchase the Securities for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including the fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby.

Section 12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Securities from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

Section 13. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Securities and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Underwriters.

Section 14. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term “affiliate” has the meaning set forth in Rule 405 under the Securities Act; (b) the term “business day” means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term “subsidiary” has the meaning set forth in Rule 405 under the Securities Act.

Section 15. Miscellaneous. (a) *Authority of the Representatives*. Any action by the Underwriters hereunder may be taken by Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities LLC and Deutsche Bank Securities Inc. and on behalf of the Underwriters, and any such action taken by Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC and Deutsche Bank Securities Inc. shall be binding upon the Underwriters.

(b) *Notices*. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o (a) Merrill Lynch,

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Pierce, Fenner & Smith Incorporated, 50 Rockefeller Plaza, NY1-050-12-02, Attention: High Grade Transaction Management/Legal; fax: (212) 548- 8511; (b) Wells Fargo Securities, LLC, 301 S. College Street, Charlotte, North Carolina 28202 (fax: 704-383-9165), Attention: Transaction Management; and (c) Deutsche Bank Securities Inc., 60 Wall Street, New York, New York, 10005 (fax: (212) 469-4877), Attention: Debt Capital Markets Syndicate, with a copy to General Counsel (Fax: (212) 797-4561). Notices to the Company shall be given to it at 600 Hale Street, Prides Crossing, MA 01965, (fax: (617) 747-3380); Attention: Chief Financial Officer.

(c) *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(d) *Counterparts*. This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument.

(e) *Amendments or Waivers*. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(f) *Headings*. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

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If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

AFFILIATED MANAGERS GROUP, INC.

By: /s/ John Kingston, III
Name: John Kingston, III
Title: Vice Chairman, General Counsel and Secretary

[Signature Page to Underwriting Agreement]

Accepted: August 1, 2012

**MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED**

By /s/ Richard H. Klein
Name: Richard H. Klein
Title: Managing Director

WELLS FARGO SECURITIES, LLC.

By /s/ Carolyn Hurley
Name: Carolyn Hurley
Title: Director

DEUTSCHE BANK SECURITIES INC.

By /s/ Anguel Zaprianov
Name: Anguel Zaprianov
Title: Managing Director

By /s/ Adam Raucher
Name: Adam Raucher
Title: Director

On behalf of each of the Underwriters

[Signature Page to Underwriting Agreement]

SCHEDULE I

Underwriter	Principal Amount of Securities
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$ 73,500,000
Wells Fargo Securities, LLC	73,500,000
Deutsche Bank Securities Inc.	15,000,000
RBC Capital Markets, LLC	13,000,000
Mitsubishi UFJ Securities (USA), Inc.	6,000,000
RBS Securities Inc.	6,000,000
Scotia Capital (USA) Inc.	6,000,000
U.S. Bancorp Investments, Inc.	6,000,000
Keefe, Bruyette & Woods, Inc.	500,000
William Blair & Company, L.L.C.	500,000
Total	\$ 200,000,000

ANNEX A

[Reserved]

ANNEX B

Time of Sale Information

Free Writing Prospectus dated August 1, 2012 filed on August 2, 2012 with the SEC pursuant to Rule 433(d) of the Securities Act.

ANNEX C

Affiliated Managers Group, Inc.
\$200,000,000
6.375% Senior Notes due August 2042
Term Sheet
August 1, 2012

The following information relates only to Affiliated Managers Group, Inc.'s offering (the "Offering") of its 6.375% Senior Notes due 2042 and should be read together with the preliminary prospectus supplement dated August 1, 2012 relating to this Offering and the accompanying prospectus dated August 6, 2010,

including the documents incorporated by reference therein.

Issuer:	Affiliated Managers Group, Inc. (NYSE: AMG)
Title of Security:	6.375% Senior Notes due August 2042
Type of Offering:	SEC Registered
Expected Ratings (S&P / Fitch)*:	BBB- / BBB- (Stable/Stable)
Principal Amount:	\$200,000,000
Over-Allotment Option:	None
Trade Date:	August 1, 2012
Settlement Date (T+5):	August 8, 2012
Maturity Date:	August 15, 2042
Denomination:	\$25
Interest Payment Dates:	February 15, May 15, August 15 and November 15
First Interest Payment Date:	November 15, 2012
Optional Redemption:	Par call on or after August 15, 2017
Coupon:	6.375%
Price to Public:	\$25.00 per Senior Note due 2042
Underwriting Discount:	\$0.6635 per Senior Note due 2042
Proceeds, Before Expenses:	\$194,692,000
Use of Proceeds:	The net proceeds of this offering are estimated to be \$194,292,000 after deducting the underwriting discounts and estimated offering expenses payable by the issuer. The issuer intends to use a portion of the net proceeds of this offering to repay currently outstanding indebtedness under its revolving credit facility. The remaining portion of the net proceeds will be used for other general corporate purposes.
Lock-Up of the Issuer:	30 days from August 1, 2012; applies to any debt securities or securities exchangeable for or convertible into debt securities
CUSIP / ISIN:	008252876 / US0082528763
Expected Listing:	The issuer intends to apply to list the notes on the New York Stock Exchange (the "NYSE"). If the application is approved, the issuer expects trading in the notes on the NYSE to begin within 30 days of August 8, 2012, the original issue date.
Joint Book-Running Managers:	Merrill Lynch, Pierce, Fenner & Smith Incorporated Wells Fargo Securities, LLC Deutsche Bank Securities Inc.
Co-Managers:	RBC Capital Markets, LLC Mitsubishi UFJ Securities (USA), Inc. RBS Securities Inc. Scotia Capital (USA) Inc. U.S. Bancorp Investments, Inc.

* A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

The issuer has filed a registration statement, including a preliminary prospectus supplement and accompanying prospectus, with the SEC for the offering to which this communication relates. Before you invest, you should read the registration statement, including the preliminary prospectus supplement and the accompanying prospectus, and other documents the issuer has filed with the SEC for more complete information about the issuer and this Offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free at 1-800-294-1322, Wells Fargo Securities, LLC toll-free at 1-800-326-5897 or Deutsche Bank Securities Inc. toll-free at 1-800-503-4611.

This pricing term sheet supplements and updates the information contained in the preliminary prospectus supplement issued by Affiliated Managers Group, Inc. on August 1, 2012 relating to its prospectus dated August 6, 2010.

AFFILIATED MANAGERS GROUP, INC.,
as Issuer,
and
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee
INDENTURE
Dated as of August 8, 2012

CROSS-REFERENCE TABLE

<u>TIA Section</u>	<u>Indenture Section</u>
310 (a)(1)	8.9
(a)(2)	8.9
(a)(3)	N/A
(a)(4)	N/A
(a)(5)	8.9
(b)	8.8; 8.9
(c)	N/A
311 (a)	8.13
(b)	8.13
(c)	N/A
312 (a)	9.1
(b)	9.2
(c)	9.2
313 (a)	9.3
(b)(1)	9.3
(b)(2)	9.3
(c)	9.3
(d)	9.3
314 (a)	9.4
(b)	N/A
(c)(1)	1.2
(c)(2)	1.2
(c)(3)	N/A
(d)	N/A
(e)	1.2
(f)	1.2
315 (a)	8.1
(b)	8.2
(c)	8.1
(d)	8.1;8.3
(e)	7.14
316 (a) (last sentence)	1.1(<u>“Outstanding”</u>)
(a)(1)(A)	7.12
(a)(1)(B)	7.13
(a)(2)	N/A
(b)	7.8
(c)	10.2
317 (a)(1)	7.3

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(a)(2)	7.4
(b)	5.3
318 (a)	1.7

N/A means Not Applicable

Note: This Cross-Reference Table shall not, for any purpose, be deemed to be part of this Indenture.

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INDENTURE, dated as of August 8, 2012, between Affiliated Managers Group, Inc., a Delaware corporation (herein called the "Company"), having its principal executive offices at 600 Hale Street, Prides Crossing, Massachusetts, 01965, and Wells Fargo Bank, National Association, a national banking association organized and existing under the laws of the United States of America, as Trustee (herein called the "Trustee").

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its senior debentures, notes or other evidences of indebtedness (herein called the "Securities," each being a "Security"), to be issued in one or more series as in this Indenture provided.

NOW, THEREFORE, for and in consideration of the premises and the purchase of the Securities by the Holders thereof, the Company and the Trustee mutually covenant and agree, for the equal and proportionate benefit of all Holders of the Securities or of any series thereof, as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.1. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the respective meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the respective meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the respective meanings assigned to them in accordance with generally accepted accounting principles, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required in the United States of America or permitted hereunder shall mean such accounting principles as are generally accepted at the date of such computation;

(4) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision; and

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(5) references to Sections are to Sections of this Indenture unless otherwise expressly indicated.

“Act”, when used with respect to any Holder, has the meaning specified in Section 1.4(a).

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“Authenticating Agent” means any Person authorized by the Trustee to act on behalf of the Trustee to authenticate Securities.

“Board of Directors” means the board of directors of the Company or any duly authorized committee of such board.

“Business Day” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in The City of New York are required or authorized to close or be closed.

“Capital Stock” for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that corporation.

“Commission” means the Securities and Exchange Commission, as from time to time constituted, created under the Exchange Act or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“Company” means the Person named as the “Company” in the first paragraph of this instrument until a successor Person shall have become permitted as the Company’s successor pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such successor Person.

“Company Request” or “Company Order” means a written request or order signed in the name of the Company by any two Officers.

“Corporate Trust Office” means the office of the Trustee at which the corporate trust business of the Trustee shall, at any particular time, be principally administered, which office is, at the date of which this Indenture is dated, located at 45 Broadway, 14th floor New York, NY 10006.

The term “corporation” includes corporations, associations, companies (including limited liability companies), limited and general partnerships and business trusts.

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The terms “covenant defeasance” and “defeasance” bear the meanings assigned to such terms, respectively, by Sections 11.4 and 11.3.

The term “default”, when used in Sections 5.5, 8.2 and/or 8.3, has the meaning specified in Section 8.2.

“Defaulted Interest” has the meaning specified in Section 2.7(b).

“Depository” means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, the Person designated as Depository for such series by the Company pursuant to Section 2.1(b)(15), which Person shall be a clearing agency registered under the Exchange Act; and if at any time there is more than one such Person, “Depository” as used with respect to the Securities of any series shall mean the Depository with respect to the Securities of such series.

“DTC” means the Depository Trust Company, a New York corporation.

“Event of Default” has the meaning specified in Section 7.1.

“Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time.

“Global Security” or “Global Securities” means a Security or Securities, as the case may be, evidencing all or part of a series of Securities, issued to the Depository for such series or its nominee, and registered in the name of such Depository or nominee.

“Holder” or “Holder of Securities” means a Person in whose name a Security is registered in the Security Register.

“Indebtedness” of any Person means indebtedness for borrowed money and indebtedness under purchase money mortgages or other purchase money liens or conditional sales or similar title retention agreements, in each case where such indebtedness has been created, incurred, or assumed by such Person to the extent such indebtedness would appear as a liability upon a balance sheet of such Person prepared in accordance with generally accepted accounting principles, guarantees by such Person of such indebtedness of others, and indebtedness for borrowed money secured by any mortgage, pledge or other lien or encumbrance upon property owned by such Person, even though such Person has not assumed or become liable for the payment of such indebtedness.

“Indenture” means this indenture agreement as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof and shall include the terms of particular series of Securities established as contemplated by Section 2.1.

“interest”, when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

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“Interest Payment Date”, when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

“Maturity”, when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Notice of Default” has the meaning specified in Section 7.1.

“Officer” shall mean any of the Chairman of the Board of Directors, Vice Chairman of the Board of Directors, the Chief Executive Officer, a President, a Vice President, the Chief Financial Officer, the Comptroller, General Counsel or a Secretary of the Corporation.

“Officer’s Certificate” means a certificate signed by any Officer and delivered to the Trustee. An Officer’s Certificate provided pursuant to Section 5.5 shall be signed by a principal executive, financial, legal or accounting Officer of the Company.

“Opinion of Counsel” means a written opinion of counsel, who may be counsel for the Company (including an employee or officer of the Company or any of its Affiliates) and who shall be satisfactory to the Trustee.

“Original Issue Discount Security” means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.2.

“Outstanding”, when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money (or in the case of payment by defeasance under Section 11.3, money, U.S. Government Obligations or both) in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust, or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent), for the Holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made and provided further, in the case of payment by defeasance under Section 11.3, that all conditions precedent to the application of such Section shall have been satisfied; and

(iii) Securities which have been paid pursuant to Section 2.6(c) or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been

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presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, (i) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof pursuant to Section 7.2 and (ii) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s independent right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

“Paying Agent” means any Person authorized by the Company to pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company. The Company may act as Paying Agent with respect to any Securities issued hereunder.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Place of Payment”, when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest on the Securities of that series are payable as specified as contemplated by Section 2.1 or, if not so specified, New York, New York.

“Predecessor Security” or “Predecessor Securities” of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 2.6 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

“Redemption Price”, when used with respect to any redemption of Securities, means the price at which such Securities are to be redeemed pursuant to this Indenture.

“Regular Record Date” for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 2.1.

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“Responsible Officer”, when used with respect to the Trustee, means any officer in the Corporate Trust Office of the Trustee with direct responsibility for the administration of this Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of such other officer’s knowledge of and familiarity with the particular subject.

“Securities” or “Security” have the meaning stated in the first recital of this Indenture and more particularly mean any Securities and/or Security of any series authenticated and delivered under this Indenture.

“Security Register” and “Security Registrar” have the respective meanings specified in Section 2.5(a).

“Special Record Date” for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 2.7(b).

“Stated Maturity”, when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

“Subsidiary” means (i) a corporation, a majority of whose Capital Stock with voting power, under ordinary circumstances, to elect directors is, at the date of determination, directly or indirectly owned by the Company, by one or more Subsidiaries of the Company or by the Company and one or more Subsidiaries of the Company, (ii) a partnership in which the Company or a Subsidiary of the Company holds a majority interest in the equity capital or profits of such partnership, or (iii) any other Person (other than a corporation or partnership) in which the Company, a Subsidiary of the Company or the Company and one or more Subsidiaries of the Company, directly or indirectly, at the date of determination, has (x) at least a majority ownership interest or (y) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

“Trust Indenture Act” means the Trust Indenture Act of 1939 as in force at the date as of which this Indenture was executed, subject to Section 10.5 and, to the extent required by any amendment thereto, the Trust Indenture Act of 1939, as amended from time to time.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Trustee shall have assumed such role pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean or include each Person who is then a Trustee hereunder and, if at any time there is more than one such Person, “Trustee” as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

“U.S. Government Obligation” has the meaning set forth in Section 11.5(a).

“Vice President” means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president”.

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Section 1.2. Compliance Certificates and Opinions.

(a) Upon any application or request by the Company to the Trustee (including in its capacity as Paying Agent (other than with respect to routine operations of the Paying Agent)) to take any action under any provision of this Indenture, the Company shall furnish to the Trustee an Officer’s Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

(b) Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than certificates provided pursuant to Section 5.5) shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, such individual has made such examination or investigation as such individual deemed reasonably necessary to enable such individual to express an opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual (based on the examination or investigation described in clause (3) above), such condition or covenant has been complied with.

Section 1.3. Form of Documents Delivered to Trustee.

(a) In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or more documents.

(b) Any certificate or opinion of any officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion or any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an

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officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

(c) Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 1.4. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “Act” of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 8.1) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The ownership of Securities shall be proved by the Security Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, the Company in reliance thereon, whether or not notation of such action is made upon such Security or such other Security.

(e) The Depository selected pursuant to subsection (b)(15) of Section 2.1, as a Holder, may appoint agents and/or otherwise authorize participants to give or take any request, demand, authorization, direction, notice, consent, waiver or other action which a Holder is entitled to give or take hereunder.

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(f) The Trustee may make reasonable rules for action by or at a meeting of Holders, including with respect to proxy voting. The Security Registrar and Paying Agent may make reasonable rules and set reasonable requirements for its respective functions and compensation.

Section 1.5. Notices, Etc., to Trustee or Company.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made, given or furnished to, or filed with,

(1) the Trustee by any Holder or the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing (including by facsimile and electronic mail actually received) to or with the Trustee at its Corporate Trust Office, or

(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to it, to the attention of the General Counsel, at the address

of its office specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee by the Company.

Section 1.6. Notice to Holders; Waiver.

(a) Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at such Holder's address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(b) If it shall be impracticable to give such notice by mail, then such notification in lieu thereof as shall be made by the Company with the approval of the Trustee or by the Trustee on behalf of and at the written instruction of the Company shall constitute a sufficient notification for every purpose hereunder.

Section 1.7. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with another provision hereof which is required to be included in this Indenture by any of the provisions of the Trust Indenture Act, such required provision shall control. If any provision hereof limits, qualifies or conflicts with the duties imposed by section 318(c) of the Trust Indenture Act, such imposed duties shall

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control. If any provision of the Indenture limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under the Trust Indenture Act to be a part of and govern the Indenture, such provision of the Trust Indenture Act shall control. If any provision of the Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to the Indenture as such provision of the Trust Indenture Act is so modified or excluded, as the case may be.

Section 1.8. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 1.9. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

Section 1.10. Separability Clause.

In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1.11. Benefits of Indenture.

Nothing in this Indenture or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1.12. Governing Law.

This Indenture and the Securities shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 1.13. Legal Holidays.

In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture or of the Securities) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity, provided that no interest shall accrue on the amount then payable for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

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Section 1.14. Waiver of Jury Trial.

EACH OF THE COMPANY AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

ARTICLE II

THE SECURITIES

(a) The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

(b) The Securities may be issued in one or more series. There shall be (subject to Section 2.3) set forth or determined as provided in an Officer's Certificate, or established in one or more indentures supplemental hereto (with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and with such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the Officers executing such Securities, as evidenced by their execution of such Securities), prior to the issuance of Securities of any series:

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from all other Securities);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 2.4, 2.5, 2.6, 3.7 or 10.6 and except for any Securities which, pursuant to Section 2.3, are deemed never to have been authenticated and delivered hereunder);

(3) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;

(4) the date or dates on which the principal of the Securities of the series is payable and/or the method by which such date or dates shall be determined;

(5) the rate or rates (or method for establishing the rate or rates) at which the Securities of the series shall bear interest, if any, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable

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and the Regular Record Date for the interest payable on any Interest Payment Date (or method for establishing such date or dates);

(6) the place or places where the principal of (and premium, if any) and interest on Securities of the series shall be payable;

(7) the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company;

(8) the obligation, if any, of the Company to redeem or purchase Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(9) if other than denominations of \$25 and any integral multiple thereof, the denominations in which Securities of the series shall be issuable;

(10) if other than the full principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 7.2 or the method by which such portion shall be determined;

(11) if other than such currency of the United States of America as at the time of payment is legal tender for payment of public or private debts, the currency or currencies (including composite currencies) in which payment of the principal of (and premium, if any) and/or interest on the Securities of the series shall be payable;

(12) if the principal of (and premium, if any) and/or interest on the Securities of the series are to be payable, at the election of the Company or any Holder, in a currency or currencies (including composite currencies) other than that in which the Securities are stated to be payable, the period or periods within which, and the terms and conditions, upon which, such election may be made;

(13) if the amounts of payments of principal of (and premium, if any) and/or interest on the Securities of the series may be determined with reference to an index, the manner in which such amounts shall be determined;

(14) in the case of Securities of a series the terms of which are not established pursuant to subsection (11), (12) or (13) above, whether either or both of Section 11.3 or Section 11.4 shall not be applicable to the Securities of such series; or, in the case of Securities the terms of which are established pursuant to subsection (11), (12) or (13) above, the adoption and applicability, if any, to such Securities of any terms and conditions similar to those contained in Section 11.3 and/or Section 11.4;

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(15) whether the Securities of the series shall be issued in whole or in part in the form of one or more Global Securities and, in such case, the Depository for such Global Security or Global Securities;

(16) any additional or different events of default that apply to Securities of the series, and any change in the right of the Trustee or the Holders of such Securities to declare the principal thereof due and payable;

(17) any additional or different covenants that apply to Securities of the series;

(18) the form of the Securities of the series; and

(19) any other terms of the series (which terms shall not contradict the provisions of this Indenture).

(c) The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the Officer executing such Securities, as evidenced by his or her execution of such Securities.

(d) All Securities of any one series shall be substantially identical except as to interest rates, method for determining interest rates, Interest Payment Dates, Regular Record Dates, redemption terms, Stated Maturity, denomination, date of authentication, currency, any index for determining amounts payable, and except as may otherwise be set forth or determined as provided in such Officer's Certificate or in any indenture supplemental hereto.

Section 2.2. Denominations.

The Securities of each series shall be issuable in registered form without coupons in such denominations as shall be specified as contemplated by Section 2.1. In the absence of any such provisions with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of \$25 and any integral multiple thereof.

Section 2.3. Execution, Authentication, Delivery and Dating.

(a) The Securities shall be executed on behalf of the Company by any Officer. The signature of any Officer on the Securities may be manual or facsimile.

(b) Securities bearing the manual or facsimile signatures of any individual who was at any time an Officer of the Company shall bind the Company, notwithstanding that any such individual has ceased to hold such office prior to the authentication and delivery of such Securities or did not hold such office at the date of such Securities.

(c) At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed on behalf of the Company pursuant to clause (a) above to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with such Company Order shall authenticate and deliver such Securities; provided, that, the Trustee shall

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authenticate and deliver Securities of such series for original issue from time to time in the aggregate principal amount established for such series pursuant to such procedures acceptable to the Trustee and to such recipients as may be specified from time to time by a Company Order. The maturity dates, original issue dates, interest rates and any other terms of the Securities of such series shall be determined by or pursuant to such Company Order and procedures.

(d) The Trustee's certificates of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

as Trustee

By _____
Authorized Signatory

Date: _____

(e) [Reserved.]

(f) Notwithstanding that such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture would adversely affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

(g) [Reserved.]

(h) With respect to Securities of a series, if the form and general terms of the Securities of such series have been established by an indenture supplemental hereto, as permitted by Section 2.1 in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall receive, and (subject to Section 8.1) shall be fully protected in relying upon, in addition to the foregoing documents and Opinion of Counsel, or in lieu of clause (e) above, an Opinion of Counsel stating that the Securities have been duly authorized and executed by the Company, and assuming the due authentication by the Trustee in the manner provided for in the Indenture, when delivered against payment of the consideration therefor in accordance with any applicable distribution agreement, the Securities will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar laws affecting the rights and remedies of creditors generally and to general equity principles.

(i) Each Security shall be dated the date of its authentication.

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(j) No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the

benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 2.9 together with a written statement (which need not comply with Section 1.2 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

Section 2.4. Temporary Securities.

(a) Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order from the Company, the Trustee shall authenticate and deliver, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, with such appropriate insertions, omissions, substitutions and other variations as the Officers executing such Securities may determine, as evidenced by their execution of such Securities.

(b) If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Securities of the same series and of like tenor, of authorized denominations. Until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

Section 2.5. Registration; Registration of Transfer and Exchange.

(a) The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

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(b) Upon surrender for registration of transfer of any Security of any series at an office or agency of the Company in a Place of Payment designated by the Company pursuant to Section 5.2 for that series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of a like aggregate principal amount and tenor.

(c) At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive.

(d) All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

(e) Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer, in form satisfactory to the Company and the Security Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

(f) No service charge shall be made for any registration of transfer or for exchange of Securities, but the Company or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 2.4, 2.5(h), 3.7 or 10.6 not involving any transfer.

(g) The Company shall not be required (i) to issue, register the transfer of or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Securities of that series selected for redemption under Section 3.3 and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

(h) Notwithstanding the foregoing, any Global Security shall be exchangeable pursuant to this Section 2.5 for Securities registered in the names of Persons other than the Depository for such Security or its nominee only if (i) such Depository notifies the Company that it is unwilling or unable to continue as Depository for such Global Security or such Depository ceases to be a clearing agency registered under the Exchange Act, (ii) the Company executes and delivers to the Trustee a Company Order that such Global Security shall be so exchangeable or (iii) there shall have occurred and be continuing an Event of Default of which the Trustee has been notified with respect to the Securities. Any Global Security that is exchangeable pursuant to the preceding sentence shall be exchangeable for Securities registered in such names as the

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Depository shall direct in writing in an aggregate principal amount equal to the principal amount of the Global Security with like tenor and terms.

(i) Notwithstanding any other provision in this Indenture, but subject to exchanges under clause (h) above, a Global Security may not be transferred except as a whole by the Depository with respect to such Global Security to a nominee of such Depository or by a nominee of such Depository to such Depository or another nominee of such Depository.

(j) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Global Security (including any transfers between or among Depository participants or beneficial owners of interests in any Global Securities) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of, this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

(k) Neither the Trustee nor any agent shall have any responsibility for any actions taken or not taken by the Depository.

Section 2.6. Mutilated, Destroyed, Lost and Stolen Securities.

(a) If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and of like tenor and principal amount, and bearing a number not contemporaneously outstanding.

(b) If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of any of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and upon its request the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount, and bearing a number not contemporaneously outstanding.

(c) In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

(d) Upon the issuance of any new Security under this Section, the Company or the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee and its counsel) connected therewith.

(e) Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of

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the Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

(f) The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 2.7. Payment of Interest; Interest Rights Preserved.

(a) Unless otherwise provided as contemplated by Section 2.1 with respect to any series of Securities, interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

(b) Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder entitled to such interest by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date (as defined below) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a special record date (the "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities of such series at his address as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business

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on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may elect to make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

(c) Subject to the foregoing provisions of this Section, each Security delivered under this Indenture, upon registration of transfer of or in exchange for or in lieu of any other Security, shall carry the rights to interest accrued and unpaid, and interest to accrue, which were carried by such other Security.

Section 2.8. Persons Deemed Owners.

Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee, including a Paying Agent, may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium, if any) and (subject to Section 2.7) interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee, including a Paying Agent, shall be affected by notice to the contrary.

Section 2.9. Cancellation.

All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly canceled by it, in accordance with its customary procedures. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold and all Securities so delivered shall be promptly canceled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities canceled as provided in this Section, except as expressly permitted by this Indenture.

Section 2.10. Computation of Interest.

Except as otherwise specified as contemplated by Section 2.1 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

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Section 2.11. CUSIP Numbers.

The Company in issuing the Securities may use "CUSIP" numbers (if then generally in use), and, if so, the Trustee shall use "CUSIP" numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in writing of any change in the "CUSIP" numbers.

ARTICLE III

REDEMPTION OF SECURITIES

Section 3.1. Applicability of Article.

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 2.1 for Securities of any series) in accordance with this Article.

Section 3.2. Election to Redeem; Notice to Trustee.

In case of any redemption at the election of the Company of less than all the Securities of like tenor of any series, the Company shall, at least 45 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed. Any such notice may be cancelled at any time prior to notice of such redemption being mailed to any Holder and shall thereby be void and of no effect. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officer's Certificate evidencing compliance with such restriction.

Section 3.3. Selection by Trustee of Securities to Be Redeemed.

(a) If less than all the Securities of like tenor of any series are to be redeemed, the particular securities to be redeemed shall be selected by the Trustee from the Outstanding Securities of like tenor of such series not previously called for redemption, by lot or any other such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal amount of such Securities of a denomination larger than the minimum authorized denomination for such Securities.

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(b) The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

(c) For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

Section 3.4. Notice of Redemption.

(a) Unless otherwise indicated for a particular series of Securities by a supplemental indenture hereto or an Officer's Certificate, a notice of redemption shall be given by first-class mail, postage prepaid, not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Securities to be redeemed, at such Holder's address appearing in the Security Register.

Such notice of redemption shall state:

- (1) the Redemption Date,
- (2) the Redemption Price,
- (3) if less than all the Outstanding Securities of like tenor of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed,
- (4) in case any Security is to be redeemed in part only, the notice which relates to such Security shall state that on and after the Redemption Date, upon surrender of such Security, the Holder of such Security will receive, without charge, a new Security or Securities of authorized denominations for the principal amount thereof remaining unredeemed,
- (5) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after such date,
- (6) the CUSIP number and/or similar numbers of such Securities, if any (or any other numbers used by a Depository to identify such Securities),
- (7) the place or places where such Securities are to be surrendered for payment of the Redemption Price, and
- (8) that the redemption is for a sinking fund, if such is the case.

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(b) Any such notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's written request, by the Trustee in the name and at the expense of the Company.

Section 3.5. Deposit of Redemption Price.

By 11:00 a.m. New York Time on any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, the Company shall segregate and hold in trust as provided in Section 5.3) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

Section 3.6. Securities Payable on Redemption Date.

(a) Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified and, from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with such notice, such Security shall be paid by the Company at the Redemption Price, together with accrued interest to the Redemption Date; provided, however, that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 2.7.

(b) If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 3.7. Securities Redeemed in Part.

Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing). The Company shall execute, and the Trustee shall authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered.

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ARTICLE IV

SINKING FUNDS

Section 4.1. Applicability of Article.

(a) The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series permitted by the applicable supplemental indenture except as otherwise specified in accordance with Section 2.1 for Securities of such series.

(b) The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a “mandatory sinking fund payment”, and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an “optional sinking fund payment”. If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 4.2. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 4.2. Satisfaction of Sinking Fund Payments with Securities.

The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series required to be made pursuant to the terms of such Securities as provided for by the terms of such series; provided that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 4.3. Redemption of Securities for Sinking Fund.

Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officer’s Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 4.2 and will also deliver to the Trustee any such Securities. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 3.3 and cause notice of the redemption, prepared by the Company, thereof to be given in the name of and at the expense of the Company in the manner provided in Section 3.4. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 3.6 and 3.7.

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ARTICLE V

COVENANTS

Section 5.1. Payment of Principal, Premium and Interest.

(a) The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of (and premium, if any) and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

(b) An installment of principal or interest shall be considered paid on the date it is due if the Trustee or Paying Agent holds on that date money designated for and sufficient to pay such installment and is not prohibited from paying such money to the Holders pursuant to the terms of this Indenture or otherwise.

Section 5.2. Maintenance of Office or Agency.

(a) The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

(b) The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 5.3. Money for Securities Payments to Be Held in Trust.

(a) If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of (and premium, if any) or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (and premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its failure so to act.

(b) Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, prior to (or by 10:00 a.m., New York time on) each due date of the principal of

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(and premium, if any) or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

(c) The Company will cause each Paying Agent for any series of Securities other than the Trustee or the Company to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal (and premium, if any) or interest on the Securities of that series; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

(d) The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order, direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent. Upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

(e) Any money deposited with the Trustee or any Paying Agent, or then held by the Company in trust, for the payment of the principal of (and premium, if any) or interest on any Security of any series, and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request or (if then held by the Company) shall be discharged from such trust. Thereafter the Holder of such Security shall, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease.

Section 5.4. Corporate Existence.

Subject to Article VI, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Company shall determine that the preservation thereof is no longer

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desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in a material respect to the Holders.

Section 5.5. Annual Statement by Officers as to Default.

The Company will deliver to the Trustee, within 120 days after the end of each fiscal year of the Company ending after the date hereof, an Officer's Certificate stating whether or not to the knowledge of the signer thereof the Company was in default in the performance and observance of any of the terms, provisions and conditions applicable to the Company during such fiscal year and, if the Company was in default, specifying all such defaults and the nature and status thereof of which he or she may have knowledge. If any default or Event of Default under clauses (4), (5), (6), (7) or (8) of Section 7.1 has occurred and is continuing, within 30 Business Days after its becoming aware of such occurrence, the Company shall deliver to the Trustee an Officer's Certificate specifying such event and what action the Company is taking or proposes to take with respect thereto.

ARTICLE VI

CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

Section 6.1. Company May Consolidate, Etc., Only on Certain Terms.

The Company shall not consolidate with or merge into or convey, transfer or lease all or substantially all of its properties and assets to, another Person, unless:

(1) in case the Company shall consolidate with or merge into another Person or convey, transfer or lease all or substantially all of its properties and assets to another Person, the corporation or other Person formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer, or which leases, all or substantially all of the properties and assets of the Company shall be a corporation or other Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance and observance of every covenant of this Indenture on the part of the Company to be performed or observed; and

(2) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture complies with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

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Section 6.2. Successor Substituted.

Upon any consolidation by the Company with or merger by the Company into any other corporation or any conveyance, transfer or lease of all or substantially all of the properties and assets of the Company in accordance with Section 6.1, the successor corporation formed by such consolidation or into which the Company is merged or the Person to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if such successor Person had been named as the Company herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

ARTICLE VII

REMEDIES

Section 7.1. Events of Default.

“Event of Default”, wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

- (1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or
- (2) default in the payment of the principal of any Security of that series when due and payable at its Maturity; or
- (3) default in the deposit of any sinking fund payment (if applicable), when and as due by the terms of a Security of that series; or
- (4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of a series of Securities other than the series in respect of which the Event of Default is being determined), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or

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(5) a default in the payment of the principal in respect of any mortgage, agreement or other instrument at the maturity thereof (other than a default under this Indenture or under any non-recourse debt) under which there may be outstanding or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company in excess of \$50,000,000 in the aggregate, whether such Indebtedness now exists or shall hereafter be created, which default shall have resulted (A) from the failure to pay the principal amount of such, upon final maturity of such Indebtedness or (B) in such Indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, in the case of each of clause (A) and clause (B) without such Indebtedness having been discharged or such acceleration having been rescinded or annulled, within a period of 30 days after there shall have been received, by registered or certified mail, by the Company from the Trustee or to the Company or the Trustee from the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default and requiring the Company to cause such acceleration to be rescinded or annulled and stating that such notice is a “Notice of Default” hereunder; provided, however, that, subject to the provisions of Sections 8.1 and 8.2, the Trustee shall not be deemed to have knowledge of such default unless either (A) a Responsible Officer of the Trustee shall have actual knowledge of such default or (B) a Responsible Officer of the Trustee shall have received written notice thereof from the Company, from any Holder, from the holder of any such Indebtedness or from the trustee under any such mortgage, agreement or other instrument; or

(6) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company or any “significant subsidiary” (used herein as defined in Regulation S-X under the Exchange Act) of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company or any significant subsidiary of the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company or any significant subsidiary of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any significant subsidiary of the Company or of any substantial part of such Person’s property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or

(7) the commencement by the Company or any “significant subsidiary” (used herein as defined in Regulation S-X under the Exchange Act) of the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by the Company or any significant subsidiary of the Company to the entry of a decree or order for relief in respect of such Person in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of

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any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or any significant subsidiary of the Company or of any substantial part of such Person’s property, or the making by the Company or any significant subsidiary of the Company of an assignment for the benefit of creditors, or the admission by the Company or any significant subsidiary of the Company in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company or any significant subsidiary of the Company in furtherance of any such action; or

- (8) any other Event of Default provided with respect to Securities of that series.

Subject to the provisions of Section 8.3(h), the Trustee shall not be deemed to have knowledge of an Event of Default hereunder (except for those described in paragraphs (1) through (3) above) unless a Responsible Officer of the Trustee has received written notice thereof.

Section 7.2. Acceleration of Maturity; Rescission and Annulment.

(a) If an Event of Default with respect to Securities of any series at the time Outstanding (other than an Event of Default specified in clause (6) or (7) of Section 7.1) occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may, and the Trustee at the request of such Holders shall, declare the principal amount (or, if any of the Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified in the terms thereof) of, and accrued and unpaid interest on, all of the Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default specified in clause (6) or (7) of Section 7.1 occurs with respect to the Company (and not solely with respect to a significant subsidiary of the Company), the principal amount (or, if any of the Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified in the terms thereof) of, and accrued and unpaid interest on, all of the Outstanding Securities of that series shall be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder of any Security of that series.

(b) At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if:

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(1) the Company has paid or deposited with the Trustee a sum sufficient to pay, (which payment and/or deposit shall be accompanied by delivery by the Company to the Trustee of an Officer's Certificate attesting to the sufficiency of such payment and/or deposit for the purpose thereof):

(A) all overdue interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue principal (and premium, if any) and overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 7.13.

(c) No such rescission shall affect any subsequent default or impair any right consequent thereon.

(d) Upon receipt by the Trustee of any declaration of acceleration, or rescission and annulment thereof, with respect to Securities of a series all or part of which is represented by a Global Security, the record date for determining Holders of Outstanding Securities of such series entitled to join in such declaration of acceleration, or rescission and annulment, as the case may be, shall be the day the Trustee receives such declaration of acceleration, or rescission and annulment, as the case may be, or, if such receipt occurs after the close of business or on a day that is not a Business Day, the next succeeding Business Day. The Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such declaration of acceleration, or rescission and annulment, as the case may be, whether or not such Holders remain Holders after such record date; provided, that unless such declaration of acceleration, or rescission and annulment, as the case may be, shall have become effective by virtue of the requisite percentage having been obtained prior to the day which is 90 days after such record date, such declaration of acceleration, or rescission and annulment, as the case may be, shall automatically and without further action by any Holder be canceled and of no further effect. The Trustee may conclusively rely on any representation by the Holders delivering such declaration of acceleration, or rescission and annulment, as the case may be, that such Holders constitute the requisite percentage to deliver such declaration. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90-day period, a new declaration of acceleration, or rescission or annulment thereof, as the case may be, that is

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identical to a declaration of acceleration, or rescission or annulment thereof, which has been canceled pursuant to the provision to the preceding sentence, in which event a new record date shall be established pursuant to the provision of this Section 7.2.

Section 7.3. Collection of Indebtedness and Suits for Enforcement by Trustee.

(a) The Company covenants that if:

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days; or

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof; or

(3) default is made in the deposit of any sinking fund payment, when and as due by the terms of a Security;

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal (and premium, if any) and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal (and premium, if any) and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

(b) If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree, and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

(c) If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 7.4. Trustee May File Proofs of Claim.

(a) In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, (irrespective of whether the principal of the Securities shall then

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be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue principal (and premium, if any) or interest) the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same.

(b) Any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 8.7.

(c) Nothing herein contained shall be deemed to authorize the Trustee to authorize, consent to, accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 7.5. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 7.6. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 8.7;

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SECOND: To the payment of the amounts then due and unpaid for principal of (and premium, if any) and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal (and premium, if any) and interest, respectively; and

THIRD: To the Company.

Section 7.7. Limitation on Suits.

No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee indemnity satisfactory to the Trustee in its sole discretion against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 7.8. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 2.7) interest on such Security on the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

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Section 7.9. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 7.10. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in Section 2.6, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.11. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 7.12. Control by Holders.

(a) The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that:

(1) such direction shall not be in conflict with any rule of law or with this Indenture, nor subject the Trustee to a material risk of personal liability in respect of which the Trustee has not received reasonably satisfactory indemnification, and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

(b) Upon receipt by the Trustee of any such direction with respect to Securities of a series all or part of which is represented by a Global Security, the record date for determining Holders of outstanding Securities of such series entitled to join in such direction shall be the day the Trustee receives such direction, or, if such receipt occurs after the close of business or on a

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day that is not a Business Day, the next succeeding Business Day, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such direction, whether or not such Holders remain Holders after such record date; provided, that unless such majority in principal amount shall have been obtained prior to the day which is 90 days after such record date, such direction shall automatically and without further action by any Holder be canceled and of no further effect. The Trustee may conclusively rely on any representation by the Holders delivering such direction that such Holders constitute the requisite percentage to deliver such direction. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90-day period, a new direction identical to a direction which has been canceled pursuant to the provisions to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 7.12.

Section 7.13. Waiver of Past Defaults.

(a) The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default:

(1) in the payment of the principal of any Security of that series when due and payable at its Maturity, or

(2) in respect of a covenant or provision hereof which under Article X cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

(b) Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 7.14. Undertaking for Costs.

Each party to this Indenture agrees, and each Holder of any Security by acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Security on or after the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

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Section 7.15. Waiver of Usury, Stay or Extension Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE VIII

THE TRUSTEE

Section 8.1. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default:

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the same to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligence or willful misconduct, except that:

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

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(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction, determined as provided in Section 7.12, of the Holders of a majority in principal amount of the Outstanding Securities of any series, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 8.2. Notice of Defaults.

Within 90 days after the Trustee has gained knowledge of an occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series, as their names and addresses appear in the Security Register, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if a committee (or meeting) of Responsible Officers of the Trustee in good faith determines that the withholding of such notice is in the interest of the Holders of Securities of such series. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

Section 8.3. Certain Rights of Trustee.

Subject to the provisions of Section 8.1:

(a) the Trustee may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order, or as otherwise expressly provided herein;

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(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, require and rely upon an Officer’s Certificate;

(d) the Trustee may consult with counsel of its selection and the advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture (including, without limitation, instituting, conducting or defending any litigation), unless such Holders shall have offered to the Trustee security or indemnity reasonably satisfactory to it against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other document, but if notwithstanding the foregoing the Trustee makes or is directed to make such further inquiry or investigation into such facts or matters, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder;

(h) the Trustee shall not be deemed to have notice of any default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a default or Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Securities and this Indenture;

(i) the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder;

(j) the Trustee may request that the Company deliver a certificate setting forth the names of individuals and/or titles of officers authorized at such time to take specified actions pursuant to this Indenture, provided that the Trustee reasonably believes that the last such certificate received from the Company or currently on file is no longer accurate;

(k) the Trustee may act and rely and shall be protected in acting and relying in good faith upon the opinion or advice of or information (including where such opinion, advice or

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information, as the case may be, contains a monetary limit on the liability of the relevant expert or advisor) obtained from any accountant, appraiser, agents or other expert or adviser, whether retained or employed by the Company or by the Trustee, in relation to any matter arising in the administration hereof; and

(l) the Trustee shall not be responsible for the accuracy of the books or records of, or for any acts or omissions of any Depository or any agent (other than the Trustee itself acting in such capacity).

Section 8.4. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

Section 8.5. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 8.8 and 8.13, may otherwise deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 8.6. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

Section 8.7. Compensation and Reimbursement.

The Company agrees:

(1) to pay to the Trustee from time to time such compensation for its acceptance of this Indenture and for its services hereunder as Trustee, Paying Agent, Security Registrar and in all other capacities in which it is serving hereunder as the Company and the Trustee shall from time to time agree in writing (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable out-of-pocket expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation, expenses and disbursements of its agents and

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counsel), except any such expense, disbursement or advance as may be attributable to its negligence, bad faith or willful misconduct; and

(3) to indemnify the Trustee and its agents, directors, employees and officers for, and to hold them harmless against, any loss, claim, damage, liability or out-of-pocket expense (including the reasonable compensation, expenses and disbursements of its agents and counsel) incurred without negligence, bad faith or willful misconduct on its or their part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the reasonable costs and out-of-pocket expenses of defending itself against any claim or liability in connection with the exercise or performance of any of the Trustee's powers or duties hereunder.

As security for the performance of the obligations of the Company under this Section, the Trustee shall have a lien prior to the Securities upon all property and funds held or collected by the Trustee in such capacity, except funds held in trust for the payment of principal of, premium, if any, or interest, if any, on particular Securities. If the Trustee incurs expenses or renders services after the occurrence and during the continuance of an Event of Default, the expenses and the compensation for the services will be intended to constitute expenses of administration under Title 11 of the United States Bankruptcy Code or any applicable federal or state law for the relief of debtors. The provisions of this Section 8.7 shall survive the resignation or removal of the Trustee and the satisfaction, discharge and termination of this Indenture for any reason.

Section 8.8. Disqualification; Conflicting Interests.

The Trustee shall comply with the terms of section 310(b) of the Trust Indenture Act.

Section 8.9. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000 and subject to supervision or examination by Federal or State authority. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 8.10. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 8.11.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a

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successor Trustee required by Section 8.11 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with Section 8.8 after written request therefor by the Company or by any Holder who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 8.9 and shall fail to resign after written request therefor by the Company or any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company may remove the Trustee with respect to all Securities, or (ii) subject to Section 7.14, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 8.11. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 8.11, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 8.11, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all

others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by mailing written notice of such event by first-class mail, postage prepaid, to all Holders of Securities of such series as their names and addresses appear in the Security Register. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its corporate trust office.

Section 8.11. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee. On the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee. Upon the execution and delivery of such supplemental indenture, the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates. On request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring

Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in clause (a) and (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 8.12. Merger, Conversion, Consolidation or Succession to Business.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided such corporation shall be otherwise qualified and eligible under this Article. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 8.13. Preferential Collection of Claims.

The Trustee shall comply with section 311(a) of the Trust Indenture Act, excluding any creditor relationship listed in section 311(b) of the Trust Indenture Act. A Trustee who has resigned or been removed shall be subject to section 311(a) of the Trust Indenture Act to the extent indicated therein.

Section 8.14. Appointment of Authenticating Agent.

(a) At any time when any of the Securities remain Outstanding, the Trustee may and, upon request of the Company, shall appoint an Authenticating Agent or Agents with respect to one or more series of Securities, which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 2.6; provided that the Trustee's appointment of such Authenticating Agent shall be subject to the Company's approval at the time of and throughout such appointment. Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized

under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than \$50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

(b) Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent, provided such corporation shall be otherwise eligible under this Section.

(c) An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and the Company, and the Trustee shall terminate any such agency promptly upon request by the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may and, upon request of the Company, shall appoint a successor Authenticating Agent, provided that the Trustee's appointment of such Authentication Agent shall be subject to the Company's approval at the time of and throughout such appointment, and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Securities of the series with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Security Register. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

(d) The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

(e) If an appointment of an Authenticating Agent with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in lieu of the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

as Trustee

By _____
As Authenticating Agent

By _____
Authorized Signatory

Date: _____

Section 8.15. Consequential Damages.

In no event shall the Trustee be responsible or liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

Section 8.16. Notices.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, pdf, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Trustee shall have received or have on file an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Company agrees to assume all risks arising out of the use of such electronic methods by the Company to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Section 8.17. Force Majeure.

In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are

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consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

ARTICLE IX

HOLDERS' LISTS AND REPORTS BY TRUSTEE AND COMPANY

Section 9.1. Company to Furnish Trustee Names and Addresses of Holders.

If the Trustee is not the Security Registrar, the Company will furnish or cause to be furnished to the Trustee:

(a) not later than 15 days after each Regular Record Date (or, if there is no Regular Record Date relating to a series, semi-annually on dates set forth in the supplemental indenture with respect to such series), a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders as of such date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished.

Section 9.2. Preservation of Information; Communications to Holders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 9.1 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 9.1 upon receipt of a new list so furnished.

(b) Holders of any series may communicate pursuant to section 312(b) of the Trust Indenture Act with other Holders of that series or any other series with respect to their rights under this Indenture or the Securities of that series or any other series. The Company, the Trustee, the Security Registrar and any other Person shall have the protection of section 312(c) of the Trust Indenture Act.

Section 9.3. Reports by Trustee.

(a) Within 60 days after May 15 of each year, commencing the May 15 following the date of this Indenture, the Trustee shall, to the extent that any of the events described in section 313(a) of the Trust Indenture Act occurred within the previous 12 months, but not otherwise, mail to each Holder a brief report dated as of such date that complies with section 313(a) of the Trust Indenture Act. The Trustee also shall comply with sections 313(a), 313(b), 313(c) and 313(d) of the Trust Indenture Act.

(b) A copy of each report at the time of its mailing to Holders shall be mailed to the Company and filed with the Commission and each securities exchange, if any, on which the Securities of that series are listed.

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(c) The Company shall notify the Trustee if the Securities of any series become listed on any securities exchange or of any delisting thereof and the Trustee shall comply with section 313(d) of the Trust Indenture Act.

Section 9.4. Reports by Company.

(a) The Company shall deliver to the Trustee, within fifteen days after the same is filed with the Commission, copies of the quarterly and annual reports and of the information, documents and other reports, if any, that the Company is required to file with the Commission pursuant to Section 13 or 15(d) of the Exchange Act, and to the extent required by Section 1.7, the Company shall otherwise comply with the requirements of Section 314(a) of the Trust Indenture Act. Any such report, information or document that the Company files with the Commission through the Commission's EDGAR database shall be deemed delivered to the Trustee for purposes of this Section 9.4(a) at the time of such filing through the EDGAR database, provided, however that the Company shall notify the Trustee that such filing has taken place.

(b) Delivery of any information, documents and reports to the Trustee pursuant to clause (a) of this Section is for informational purposes only and the Trustee's receipt of such items shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officer's Certificates).

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.1. Supplemental Indentures Without Consent of Holders.

Without the consent of or notice to any Holders, the Company and the Trustee (at the direction of the Company) at any time and from time to time, may enter into one or more indentures supplemental hereto (including any related opinions, certificates and ancillary documents), in form reasonably satisfactory to the Trustee, for any of the following purposes:

- (1) to evidence the succession of another Person to the Company and the assumption by any such successor of the covenants of the Company herein and in the Securities; or
- (2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or
- (3) to add any additional Events of Default with respect to all or any series of Securities (and if such Events of Default are to be for the benefit of less than all series of

Securities, stating that such Events of Default are expressly being included solely for the benefit of such series); or

- (4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of new Securities permitted by Section 2.1 in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form; or
- (5) to secure the Notes; or
- (6) to add any guarantees with respect to the Notes; or
- (7) to change or eliminate any of the provisions of this Indenture, provided that any such change or elimination shall become effective only when there is no Security Outstanding of any series created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision; or
- (8) to make a change to the Securities of any series that does not adversely affect the rights of any Holder of the Securities of such series; or
- (9) to establish the form or terms of Securities of any series as permitted by Section 2.1; or
- (10) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series or to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 8.11(b); or
- (11) to cure any ambiguity or omission or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture, provided such action shall not adversely affect the interests of the Holders of Securities of any series in any material respect; or
- (12) to comply with any requirement of the Commission in order to effect or maintain the qualification of this Indenture under the Trust Indenture Act; or
- (13) to conform the Indenture or the Securities to the description thereof in the related prospectus, offering memorandum or disclosure document.

Section 10.2. Supplemental Indentures with Consent of Holders.

(a) With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series so affected by such supplemental indenture, by Act of such Holders delivered to the Company and the Trustee, the Company and the Trustee (at the

direction of the Company) may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of the Securities of such series or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture. Without the consent of the Holder of each Outstanding Security directly affected thereby, a supplemental indenture under this Section 10.2 shall not (with respect to any Outstanding Security held by a non-consenting Holder):

(1) change the Stated Maturity of, the principal of, or any installment of principal of or interest on, such Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 7.2, or adversely affect any right of repayment of such Security at the Holder's option or change any Place of Payment where, or the currency in which, such Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date) or modify the Securities of any series to subordinate such Securities to other Indebtedness, or

(2) reduce the percentage in principal amount of the Outstanding Securities of the series for such Outstanding Security, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture; or

(3) modify any of the provisions of this Section or Section 7.13, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security directly affected thereby; provided, however, that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section, or the deletion of this proviso, in accordance with the requirements of Sections 8.11(b) and 10.1(8); or

(4) make any Security payable in a currency other than that stated in such Security.

(b) A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

(c) It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

(d) The Company may set a record date for purposes of determining the identity of Holders of Securities entitled to consent pursuant to this Section. Such record date shall be the later of (i) 30 days prior to the first solicitation of such consent or (ii) the date of the most recent list of Holders furnished to the Trustee pursuant to Section 9.1 prior to such solicitation.

Section 10.3. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 8.1) shall be fully protected in relying upon, an Officer's Certificate and an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and complies with the provisions hereof (including Section 10.5). The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties, or immunities or liabilities under this Indenture or otherwise.

Section 10.4. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes. Every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 10.5. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act, as then in effect.

Section 10.6. Reference in Securities to Supplemental Indentures.

Securities authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company, and such Securities may be authenticated and delivered by the Trustee, in exchange for Outstanding Securities of such series.

ARTICLE XI

SATISFACTION AND DISCHARGE; DEFEASANCE

Section 11.1. Satisfaction and Discharge of Indenture.

(a) This Indenture shall upon Company Request cease to be of further effect with respect to Securities of any series (except as to any surviving rights of registration of transfer or exchange of Securities of such series and replacement of lost, stolen or mutilated Securities of

such series herein expressly provided for), and the Trustee, on the demand of and at the expense of the Company, shall execute instruments acknowledging satisfaction and discharge of this Indenture with respect to such series, when:

(1) Either:

(A) all Securities of such series theretofore authenticated and delivered have been delivered to the Trustee for cancellation (other than (i) Securities of such series which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 2.6 and (ii) Securities of such series for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 5.3); or

(B) all such Securities of such series not theretofore delivered to the Trustee for cancellation:

(i) have become due and payable, or

(ii) will become due and payable at their Stated Maturity within one year, or

(iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption,

and the Company, in the case of clauses (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose an amount sufficient to pay and discharge the entire indebtedness on such Securities of such series not theretofore delivered to the Trustee for cancellation, for principal and interest to the date of such deposit (in the case of Securities of such series which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be; and

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for the satisfaction and discharge of this Indenture have been complied with.

(b) At any time when no Securities of any series are outstanding, this Indenture shall upon Company Request cease to be of further effect and the Trustee, at the expense of the Company, shall execute instruments of satisfaction and discharge of this Indenture.

(c) Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 8.7 and, if money shall have been deposited with

the Trustee pursuant to subclause (B) of clause (a)(1) of this Section 11.1, the obligations of the Trustee under Section 11.6 and Section 5.3(e) shall survive.

Section 11.2. Company's Option to Effect Defeasance or Covenant Defeasance.

Unless pursuant to Section 2.1 provision is made for either or both of (a) defeasance of the Securities of another series under Section 11.3 not to be applicable with respect to the Securities of a particular series or (b) covenant defeasance of the Securities of another series under Section 11.4 not to be applicable with respect to the Securities of such particular series, then the provisions of such Sections, together with the other provisions of Sections 11.3, 11.4, 11.5 and 11.6, shall be applicable to the Securities of such particular series, and the Company may at its option, at any time, with respect to the Securities of such particular series, elect to have either Section 11.3 or Section 11.4 be applied to the Outstanding Securities of such series upon compliance with the conditions set forth below in Sections 11.3, 11.4, 11.5 and 11.6.

Section 11.3. Defeasance and Discharge.

Upon the Company's exercise of the option set forth in Section 11.2 and satisfaction of the conditions to defeasance set forth in Section 11.5, the Company shall be deemed to have been discharged from its obligations with respect to the Outstanding Securities of such series on the date the conditions set forth below are satisfied (hereinafter, "defeasance"). For this purpose, such defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such series and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of Outstanding Securities of such series to receive, solely from the trust fund described in Section 11.5 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any) and interest on such Securities when such payments are due, (B) the Company's obligations with respect to such Securities under Sections 2.4, 2.5, 2.6, 5.2 and 5.3, (C) the rights, powers, trusts, duties, and immunities of the Trustee under Sections 2.5, 2.6, 2.7, 2.8, 2.9, 5.3(e), 8.7 and 11.6 and otherwise the duty of the Trustee to authenticate Securities of such series issued on registration of transfer or exchange and (D) Sections 11.3, 11.4, 11.5 and 11.6. Subject to compliance with Sections 11.3, 11.4, 11.5 and 11.6, the Company may exercise its option under this Section 11.3 notwithstanding the prior exercise of its option under Section 11.4 with respect to the Securities of such series.

Section 11.4. Covenant Defeasance.

Upon the Company's exercise of the option set forth in Section 11.2 and satisfaction of the conditions to defeasance set forth in Section 11.5, the Company shall be released from its obligations under Sections 5.4, 5.5, 6.1(2) and 9.4 and any other covenants to be applicable to the Securities of a series as

7.1(4), (5) and (8) and any other events of default to be applicable to the Securities of a series as specified pursuant to Section 2.1 unless specified otherwise pursuant to such Section shall not constitute a default or Event of Default hereunder, with respect to the Outstanding Securities of such series on and after the date the conditions set forth below are satisfied (hereinafter, “covenant defeasance”). For this purpose, such covenant defeasance means that, with respect to the Outstanding Securities of such series, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such Section with respect to it, whether directly or indirectly by reason of any reference elsewhere herein to any such Section or by reason of any reference in any such Section to any other provision herein or in any other document, but the remainder of this Indenture and such Securities shall be unaffected thereby.

Section 11.5. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to application of either Section 11.3 or Section 11.4 to the Outstanding Securities of such series:

(a) the Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 8.9 who shall agree to comply with the provisions of this Article XI applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than the due date of any payment, money in an amount, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (i) the principal of (and premium, if any) on and each installment of principal of (premium, if any) and interest on the Outstanding Securities of such series on the Stated Maturity of such principal or installment of principal or interest and (ii) any mandatory sinking fund payments or analogous payments applicable to the Outstanding Securities of such series on the day on which such payments are due and payable in accordance with the terms of this Indenture and of such Securities. For this purpose, “U.S. Government Obligations” means securities that are (x) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (y) obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in section 3(a)(2) of the Securities Act of 1933, as amended from time to time) as custodian with respect to any such U.S. Government Obligation or a specific payment of principal of or interest on any such U.S. Government Obligation held by such custodian for the account of the holder of such depository receipt, provided that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment

of principal of or interest on the U.S. Government Obligation evidenced by such depository receipt;

(b) no Event of Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit (other than an Event of Default resulting from borrowing of funds to be applied to such deposit and the grant of any lien securing such borrowing);

(c) such defeasance or covenant defeasance shall not cause the Trustee for the Securities of such series to have a conflicting interest for purposes of the Trust Indenture Act with respect to any securities of the Company;

(d) such defeasance or covenant defeasance shall not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which the Company is a party or by which it is bound;

(e) such defeasance or covenant defeasance shall not cause any Securities of such series then listed on any registered national securities exchange under the Exchange Act to be delisted;

(f) in the case of an election under Section 11.3, the Company shall have delivered to the Trustee an Opinion of Counsel stating that (x) the Company has received from, or there has been published by, the Internal Revenue Service a ruling, or (y) since the date of this Indenture there has been a change in the applicable Federal income tax law, in either case to the effect that, and based thereon such opinion shall confirm that, the Holders of the Outstanding Securities of such series will not recognize income, gain or loss for Federal income tax purposes as a result of such defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such defeasance had not occurred;

(g) in the case of an election under Section 11.4, the Company shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of the Outstanding Securities of such series will not recognize income, gain or loss for Federal income tax purposes as a result of such covenant defeasance and will be subject to Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such covenant defeasance had not occurred;

(h) such defeasance or covenant defeasance shall be effected in compliance with any additional terms, conditions or limitations which may be imposed on the Company in connection therewith pursuant to Section 2.1; and

(i) the Company shall have delivered to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to either the defeasance under Section 11.3 or the covenant defeasance under Section 11.4, as the case may be, have been complied with.

Section 11.6. Deposited Money and U.S. Government Obligations to Be Held in Trust; Other Miscellaneous Provisions.

(a) Subject to the provisions of Section 5.3(e), all money deposited with the Trustee (or other qualifying trustee, collectively, for purposes of this Section 11.6, the “Trustee”), all money and U.S. Government Obligations deposited with the Trustee and all money received by the Trustee in respect of U.S. Government Obligations deposited with the Trustee, pursuant to Section 11.1 or 11.5, in respect of the Outstanding Securities of such series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal (and premium, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

(b) The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 11.5 or the principal and interest received in respect thereof, other than any such tax, fee or other charge which by law is for the account of the Holders of the Outstanding Securities of such series.

(c) Anything in this Article XI to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 11.5 which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent defeasance or covenant defeasance and pay any obligations owed or accrued in favor of the Trustee.

(d) The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may reasonably request in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

* * * *

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[The remainder of this page intentionally left blank; signature pages follow.]

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IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first above written.

ISSUER:

AFFILIATED MANAGERS GROUP, INC.

By: /s/ John Kingston, III

Name: John Kingston, III

Title: Vice Chairman, General Counsel
and Secretary

[Signature page to Indenture]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed as of the date first above written.

TRUSTEE:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Yana Kislenko

Name: Yana Kislenko

Title: Vice President

[Signature page to Indenture]

AFFILIATED MANAGERS GROUP, INC.

First Supplemental Indenture

Dated as of August 8, 2012

6.375% Senior Notes due 2042

(First Supplement to the Indenture Dated as of August 8, 2012)

WELLS FARGO BANK, NATIONAL ASSOCIATION,

as Trustee

FIRST SUPPLEMENTAL INDENTURE, dated as of August 8, 2012, between Affiliated Managers Group, Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the “**Company**”), and Wells Fargo Bank, National Association, as Trustee (herein called the “**Trustee**”);

RECITALS:

WHEREAS, the Company executed and delivered to the Trustee an Indenture, dated as of August 8, 2012 (the “**Base Indenture**”), providing for the issuance from time to time of the Company’s unsecured notes or other evidences of indebtedness (herein and therein called the “**Securities**”), to be issued in one or more series as provided in the Base Indenture;

WHEREAS, Section 10.1(8) of the Base Indenture permits the Company and the Trustee to enter into an indenture supplemental to the Base Indenture to establish the form and terms of any series of Securities without notice to or consent of any Holder of any Securities;

WHEREAS, Section 2.1 of the Base Indenture permits the form of Securities of any series to be established in an indenture supplemental to the Base Indenture;

WHEREAS, pursuant to Sections 2.1 and 2.3 of the Base Indenture, the Company desires to provide for the establishment of a new series of Securities under the Base Indenture, the form and substance of such series of Securities and the terms, provisions and conditions thereof to be set forth as provided in the Base Indenture and this First Supplemental Indenture;

WHEREAS, all conditions and requirements necessary to make this First Supplemental Indenture, when executed and delivered, a valid agreement of the Company, in accordance with its terms, have been performed and filled;

NOW, THEREFORE, WITNESSETH:

For and in consideration of the premises and the purchase of the Securities established by this First Supplemental Indenture by the holders thereof (the “**Holders**”), it is mutually agreed, for the equal and proportionate benefit of all such Holders, as follows:

ARTICLE I**Definitions and Other Provisions of General Application**

Section 1.01 Relation to Base Indenture. This First Supplemental Indenture constitutes a part of the Base Indenture (the provisions of which, as modified by this First Supplemental Indenture), shall apply to the series of Securities established by this First Supplemental Indenture but shall not modify, amend or otherwise affect the Base Indenture insofar as it relates to any other series of Securities or modify, amend or otherwise affect in any manner the terms and conditions of the Securities of any other series.

Section 1.02 Definitions. For all purposes of this First Supplemental Indenture, the capitalized terms used herein (i) which are defined in this Section 1.02 have the respective meanings assigned hereto in this Section 1.02 and (ii) which are defined in the Base Indenture

(and which are not defined in this Section 1.02) have the respective meanings assigned thereto in the Base Indenture. For all purposes of this First Supplemental Indenture:

(a) Unless the context otherwise requires, any reference to an Article or Section refers to an Article or Section, as the case may be, of this First Supplemental Indenture;

(b) The words “herein,” “hereof” and “hereunder” and words of similar import refer to this First Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision; and

(c) The terms defined in this Section 1.02(c) have the meanings assigned to them in this Section and include the plural as well as the singular.

“**Business Day**” means each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which the banking institutions in The City of New York are authorized or obligated by law or executive order to close or be closed.

“**Default**” means any event that is, or after notice or lapse of time or both would become, an Event of Default with respect to the Notes.

“**Interest Payment Date**” has the meaning set forth in Section 2.01(d).

“**Interest Period**” has the meaning set forth in Section 2.01(d).

“**Maturity Date**” has the meaning set forth in 2.01(c).

“**Notes**” has the meaning set forth in Section 2.01(a).

“**Person**” means any individual, corporation, partnership, limited liability company, business trust, association, joint-stock company, joint venture, trust, incorporated or unincorporated organization or government or any agency or political subdivision thereof.

“**Redemption Date**”, when used with respect to any Note, means the date fixed for such redemption by or pursuant to this First Supplemental Indenture.

“**Redemption Price**”, when used with respect to any Note to be redeemed, means the price at which it is to be redeemed pursuant to this First Supplemental Indenture.

ARTICLE II

General Terms and Conditions of the Notes

Section 2.01 Terms of Notes. Pursuant to Sections 2.1 and 2.3 of the Base Indenture, there is hereby established a series of Securities, the terms of which shall be as follows:

(a) Designation. The Securities shall be known and designated, as applicable, as the “6.375% Senior Notes due 2042” (the “**Notes**”) of the Company. The CUSIP number of the Notes is 008252876.

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(b) Form and Denominations. The Notes will be issued only in fully registered form, and the authorized denominations of the Notes shall be \$25 and integral multiples thereof. The Notes will initially be issued in the form of one or more Global Securities substantially in the form of Annex A attached hereto, with such modifications thereto as may be approved by the authorized officer executing the same, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Trustee as custodian for DTC (the “**Depository**”) and registered in the name of Cede & Co., the Depository’s nominee, duly executed by the Company, and authenticated by the Trustee. In limited circumstances, the Notes may be represented by notes in certificated form. The Notes will be denominated in U.S. Dollars and payments of principal and interest will be made in U.S. Dollars.

(c) Maturity Date. The principal amount of, and all accrued and unpaid interest on, the Notes shall be payable in full on August 15, 2042, or if such day is not a Business Day, the following Business Day (each, the “**Maturity Date**”).

(d) Interest. The Notes will bear interest at the rate of 6.375% per year from and after the original issue date thereof. Interest on the Notes shall be payable quarterly in arrears on February 15, May 15, August 15 and November 15 of each year, beginning on November 15, 2012 (each such date, an “**Interest Payment Date**”). Interest will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance (each, an “**Interest Period**”). The amount of interest payable for any quarterly Interest Period will be computed on the basis of a 360-day year consisting of twelve 30-day months. The amount of interest payable for any period shorter than a full quarterly Interest Period for which interest is computed will be computed on the basis of the actual number of days elapsed per 30-day month. In the event any Interest Payment Date falls on a day that is not a Business Day, the interest payment due on that date will be postponed to the next day that is a Business Day and no interest shall accrue as a result of such postponement.

In addition, all interest shall be payable on the Maturity Date, and interest on the Notes subject to redemption shall be payable on the date the principal thereof is payable.

(e) To Whom Interest is Payable. Interest shall be payable to the Person in whose name the Notes are registered at the close of business on the regular record date for such interest, which shall be the February 1, May 1, August 1 or November 1 (whether or not either is a Business Day), as the case may be, next preceding the Interest Payment Date, or in the event the Notes cease to be held in the form of one or more Global Securities, at the close of business on the date 15 days prior to that Interest Payment Date, whether or not a Business Day; provided, however, that interest due on the Maturity Date or any Redemption Date (in each case, whether or not an Interest Payment Date) will be paid to the Person to whom principal of such Notes is payable.

(f) Sinking Fund; Holder Repurchase Right. The Notes shall not be subject to any sinking fund or analogous provision or be redeemable at the option of the Holders.

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(g) Forms. The Notes shall be substantially in the form of Annex A attached hereto, with such modifications thereto as may be approved by the authorized officer executing the same.

(h) Security Registrar, Paying Agent and Place of Payment. The Company hereby appoints Wells Fargo Bank, National Association as Security Registrar and Paying Agent with respect to the Notes. The Notes may be surrendered for registration of transfer and for exchange at the Corporate Trust Office of the Trustee or at any other office or agency maintained by the Company for such purpose. The place of payment for the Notes shall be the Paying Agent's office in New York, New York.

Section 2.02 Optional Redemption.

(a) The provisions of Article 3 of the Indenture shall apply to the Notes.

(b) For the benefit of the Holders of the Notes, a new Section 3.8 shall be added to the Indenture as follows:

“Section 3.8. Notice to Holders; Redemption Price; etc.

(a) From time to time on or after August 15, 2017, the Notes will be redeemable, as a whole or in part, at the Company's option, on at least 30 days, but not more than 60 days, prior notice mailed to the registered address of each Holder of the Notes, or provided by email or facsimile to the Trustee for transmission to the Depository or its nominee or such other notice method in accordance with the Indenture as determined by a certificate executed by certain Officers of the Company, at a Redemption Price of 100% of principal amount of the Notes to be redeemed, plus accrued and unpaid interest to, but not including, the date of redemption; provided, however, that in the event the Redemption Date for any Note falls on a day that is not a Business Day, then the related payments of principal and interest may be made on the next succeeding date that is a Business Day (and no additional interest will accumulate on the amount payable for the period from and after the Redemption Date for such Note unless the Company defaults in the payment of such interest); and provided, further, that the principal amount of any Note remaining outstanding after a redemption in part shall be an integral multiple of \$25.

(b) On and after the Redemption Date for the Notes, interest will cease to accrue on the Notes or any portion thereof called for redemption, unless the Company defaults in the payment of such interest. On or before the Redemption Date for the Notes, the Company will deposit with a Paying Agent, or the Trustee, funds sufficient to pay the Redemption Price of, and accrued and unpaid interest on, the Notes to be redeemed on such date. If less than all of the Notes are to be redeemed, the Notes to be redeemed will be selected by the Trustee pro rata, by lot, or by a method that the Trustee shall deem fair and appropriate.”

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Section 2.03 Limitation on Liens.

For the benefit of the Holders of the Notes, a new Section 5.6 shall be added to the Indenture as follows:

“Section 5.6. Limitation on Liens

So long as any Notes are outstanding, the Company shall not create, assume, incur or guarantee any Indebtedness for money borrowed that is secured by any mortgage, pledge, lien, security interest or other encumbrance of any nature (each, a “**Lien**”) on any present or future voting stock of any of the Company's Subsidiaries unless the Notes are secured equally and ratably with, or prior to, the Indebtedness secured by such Lien for so long as such other Indebtedness is so secured. If the Notes are so secured, the Company may, at its option, secure any other Indebtedness or obligations equally and ratably with the Notes, so long as such other Indebtedness or obligations are not subordinate to the Notes. This limitation does not apply to (a) Liens on voting stock of a Subsidiary at the time it becomes a Subsidiary, including any renewals, extensions or refinancings of the Indebtedness secured by such Lien; (b) Liens securing intercompany Indebtedness; and (c) Liens securing other Indebtedness created, assumed, incurred or guaranteed by the Company if the aggregate amount of the Indebtedness so secured does not exceed \$200,000,000.”

Section 2.04 Consolidation, Merger and Sale of Assets.

For the benefit of the Holders of the Notes, Section 6.1 of the Indenture shall be amended and restated to read in its entirety as follows:

“Section 6.1. Company May Consolidate, Etc., Only on Certain Terms.

The Company shall not consolidate with or merge with or into, or convey, transfer or lease all or substantially all of its properties and assets to, another Person unless (1) if the Company is not the resulting, surviving or transferee corporation, the resulting, surviving or transferee Person is a corporation organized and existing under the laws of the United States of America, any state thereof or the District of Columbia, and such Person expressly assumes by supplemental indenture all of the Company's obligations under the Notes and the Indenture; (2) if, as a result of any such transaction, the Company's properties or assets would become subject to a mortgage, pledge, lien, security interest or other encumbrance that would not be permitted by the Indenture, the Company or the resulting, surviving or transferee Person shall take such steps as shall be necessary effectively to secure the Notes equally and ratably with (or prior to) all Indebtedness secured thereby; and (3) immediately after giving effect to such transaction, no Default has occurred and is continuing under the Indenture.”

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ARTICLE III

Miscellaneous

Section 3.01 Relationship to Existing Base Indenture. The First Supplemental Indenture is a supplemental indenture within the meaning of the Base Indenture. The Base Indenture, as supplemented and amended by this First Supplemental Indenture, is in all respects ratified, confirmed and approved

and, with respect to the Notes, the Base Indenture, as supplemented and amended by this First Supplemental Indenture, shall be read, taken and construed as one and the same instrument.

Section 3.02 Modification of the Existing Base Indenture. Except as expressly modified by this First Supplemental Indenture, the provisions of the Base Indenture shall govern the terms and conditions of the Notes.

Section 3.03 Governing Law. This instrument shall be governed by, and construed in accordance with, the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

Section 3.04 Counterparts. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 3.05 Makes No Representation. The recitals contained herein are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee makes no representation as to the validity or sufficiency of this First Supplemental Indenture (except for its execution thereof and its certificates of authentication of the Notes).

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IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed as of the date first written above.

AFFILIATED MANAGERS GROUP, INC.

By: /s/ John Kingston, III
Name: John Kingston, III
Title: Vice Chairman, General Counsel
and Secretary

[Signature Page to First Supplemental Indenture]

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed as of the date first written above.

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Yana Kislenko
Name: Yana Kislenko
Title: Vice President

[Signature Page to First Supplemental Indenture]

ANNEX A

THIS NOTE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF THE DEPOSITORY (AS DEFINED IN THE INDENTURE) OR A NOMINEE OF THE DEPOSITORY. THIS GLOBAL SECURITY IS EXCHANGEABLE FOR SECURITIES REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR ITS NOMINEE ONLY IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE, AND, UNLESS AND UNTIL IT IS EXCHANGED IN WHOLE AND IN PART FOR SECURITIES IN DEFINITIVE FORM, MAY NOT BE TRANSFERRED EXCEPT AS A WHOLE BY THE DEPOSITORY TO A NOMINEE OF THE DEPOSITORY, BY A NOMINEE OF THE DEPOSITORY TO THE DEPOSITORY OR ANOTHER NOMINEE OF THE DEPOSITORY OR BY THE DEPOSITORY OR ANY SUCH NOMINEE TO A SUCCESSOR DEPOSITORY OR A NOMINEE OF SUCH SUCCESSOR DEPOSITORY.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION ("DTC"), TO THE COMPANY (AS DEFINED BELOW) OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY SECURITY ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

AFFILIATED MANAGERS GROUP, INC.

6.375% Senior Notes due 2042

Affiliated Managers Group, Inc., a corporation duly incorporated and subsisting under the laws of the State of Delaware (herein called the "Company", which term includes any successor corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to Cede & Co., or registered assigns, the principal sum of TWO HUNDRED MILLION U.S. Dollars (U.S. \$ 200,000,000.00) on August 15, 2042 and to pay interest thereon from August 8, 2012 or from the most recent Interest Payment Date to which interest has been paid or duly provided for, quarterly on February 15, May 15, August 15 and November 15 in each year, commencing November 15, 2012, at the rate of 6.375% per annum, until the principal hereof is paid or made available for payment.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more predecessor securities) is registered at the close of business on the regular record

date for such interest, which shall be the February 1, May 1, August 1 or November 1 (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such regular record date and may either be paid to the Person in whose name this Note (or one or more predecessor securities) is registered at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice whereof shall be given to Holders of Notes of this series not less than five days prior to such special record date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Notes of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Payment of the principal of and interest on this Note shall be made at the office or agency of the Trustee maintained for that purpose in New York, New York, in such currency of the United States of America as at the time of payment is legal tender for payment of public and private debts; *provided, however,* for so long as the Notes are represented in global form by one or more Global Securities, all payments of principal and interest shall be made by wire transfer of immediately available funds to the Depository or its nominee, as the case may be, as the registered owner of the Global Security representing such Notes. In the event that definitive Notes shall have been issued, all payments of principal and interest shall be made by wire transfer of immediately available funds to the accounts of the registered Holders thereof; *provided,* that the Company may at its option pay interest by check to the registered address of each Holder of a definitive Note.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed under its corporate seal.

AFFILIATED MANAGERS GROUP, INC.

By:

Name: Jay C. Horgen
Title: Chief Financial Officer and Treasurer

[Seal]

Attest:

Name: John Kingston, III
Title: Vice Chairman, General Counsel
and Secretary

Date: August , 2012

[Signature Page to Global Note]

This is one of the Securities of the series designated therein issued under the within mentioned Indenture.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Trustee

By:

Authorized Signatory

Date: August , 2012

[Signature Page to Global Note]

[Form of Reverse of Note]

This Note is one of a duly authorized issue of securities of the Company (herein called the “Notes”), issued and to be issued in one or more series under an Indenture, dated as of August 8, 2012 (herein called the “Base Indenture”, which term shall have the meaning assigned to it in such instrument), as supplemented by a First Supplemental Indenture, dated as of August 8, 2012 (herein called the “First Supplemental Indenture”, and together with the Base Indenture, the “Indenture”), between the Company and Wells Fargo Bank, National Association, as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, obligations, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the series designated on the face hereof, initially limited in aggregate principal amount to \$200,000,000. The Company may at any time issue additional securities under the Indenture in unlimited amounts having the same terms as the Notes so that such additional securities shall be consolidated with the Notes, including for purposes of voting and redemption. Any such additional securities shall, together with the outstanding Notes, constitute a single series of debt securities under the Indenture.

The Notes of this series are also subject to redemption, at the option of the Company, from time to time on or after August 15, 2017, in whole or in part, upon not less than 30 nor more than 60 days’ prior notice mailed to each Holder of Notes to be redeemed at his address as it appears in the register, on any date prior to their stated maturity at a Redemption Price, plus accrued and unpaid interest to the Redemption Date, equal to 100% of the principal amount of such Notes to be redeemed; *provided* that the principal amount of a Note remaining outstanding after redemption in part shall be an integral multiple of \$25.

The Company may not redeem the Notes in part on any date if the principal amount of the notes has been accelerated and such acceleration has not been rescinded, on or prior to such date.

In the event of redemption of this Note in part only, a new Note or Notes of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

On and after any Redemption Date, interest will cease to accrue on the Notes called for redemption, unless the Company defaults in the payment of the Redemption Price. Prior to any Redemption Date, the Company shall deposit with the Paying Agent money sufficient to pay the Redemption Price of and accrued interest on the Notes to be redeemed on such date. If the Company is redeeming less than all of the Notes, the Trustee shall select the Notes to be redeemed by such method as the Trustee deems fair and appropriate in accordance with methods generally used at the time of selection by fiduciaries in similar circumstances.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note and certain restrictive covenants and Events of Default with respect to this Note, in each case upon compliance with certain conditions set forth in the Indenture.

If an Event of Default with respect to Notes of this series shall occur and be continuing, the principal of the Notes of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture or the Notes of any series thereunder may be amended or supplemented as provided in the Indenture.

As provided in and subject to the provisions of the Indenture, the Holder of this Note may pursue a remedy with respect to the Indenture or this Note only if (i) the Holder gives to the Trustee written notice of a continuing Event of Default; (ii) the Holders of at least 25% in principal amount of the outstanding Notes of that series make a written request to the Trustee to pursue the remedy; (iii) such Holder or Holders offer to the Trustee indemnity satisfactory to the Trustee against any loss, liability or expense; (iv) the Trustee does not comply with the request within 60 days after receipt of the request and the offer of indemnity; and (v) during such 60-day period the Holders of a majority in principal amount of the outstanding Notes of that series do not give the Trustee a direction inconsistent with the request. The foregoing shall not apply to any suit instituted by the Holder of this Note for the enforcement of any payment of principal hereof or any interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any interest on this Note at the times, place and rate, and in the currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registrable in the Security Registrar’s books, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of and any interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or the Holder’s attorney duly authorized in writing, and thereupon one or more new of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes of this series are issuable only in registered form in denominations of \$25 and integral multiples thereof. As provided in the Indenture and subject to certain limitations therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made to a Holder for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

August 8, 2012

Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, Massachusetts 01965

**Re: Affiliated Managers Group, Inc. Registration Statement on Form S-3;
\$200,000,000 aggregate principal amount of 6.375% Senior Notes due 2042.**

Ladies and Gentlemen:

This opinion is furnished to you in connection with the issuance and sale of \$200,000,000 aggregate principal amount of 6.375% Senior Notes due 2042 (the “Notes”) by Affiliated Managers Group, Inc., a Delaware corporation (the “Company”). The Notes have been offered and sold pursuant to the above-referenced registration statement (the “Registration Statement”), filed on August 6, 2010 with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the “Act”).

The Notes are being issued under an Indenture dated August 8, 2012 (the “Base Indenture”), as supplemented by a First Supplemental Indenture dated August 8, 2012 (the “First Supplemental Indenture,” and together with the Base Indenture, the “Indenture”), by and between the Company and Wells Fargo Bank, National Association, as trustee.

We have acted as counsel for the Company in connection with the offering of the Notes. For purposes of this opinion, we have examined and relied upon such documents, records, certificates and other instruments as we have deemed necessary.

The opinions expressed below are limited to matters governed by the laws of the State of New York and the Delaware General Corporation Law.

Based upon the foregoing, we are of the opinion that, when the Notes have been duly executed and authenticated as provided in the Indenture and delivered against payment therefor, such Notes will be the valid and binding obligations of the Company.

Our opinions set forth above are subject to (i) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar laws affecting the rights and remedies of creditors generally and (ii) general principles of equity. Our opinions are also subject to the qualification that the enforceability of provisions in the Indenture providing for indemnification or contribution, broadly worded waivers, waivers of rights to damages or defenses, waivers of unknown or future claims, and waivers of statutory, regulatory or constitutional rights may be limited on public policy or statutory grounds.

We hereby consent to the incorporation by reference of this opinion as an exhibit to the Registration Statement and to the use of our name in the Prospectus Supplement relating to the Notes under the caption “Validity of Notes.” In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ Ropes & Gray LLP

Ropes & Gray LLP

August 8, 2012

Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965-1000

Ladies and Gentlemen:

Reference is made to our opinion dated August 6, 2010 and included as Exhibit 5.1 to the registration statement on Form S-3 (File No. 333-168627) (the "Registration Statement"), filed by Affiliated Managers Group, Inc. (the "Company") and AMG Capital Trust III, as of August 6, 2010, with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the registration under the Securities Act and the proposed issuance and sale from time to time pursuant to Rule 415 under the Securities Act of shares of the Company's common stock, \$0.01 par value per share (the "Common Stock") and other securities as specified therein. We are rendering this supplemental opinion in connection with the Company's proposed issuance and delivery of up to 4,500,000 shares of Common Stock (the "Shares") from time to time, in settlement of, and pursuant to the Confirmation Letter Agreement dated August 8, 2012, between the Company and Deutsche Bank AG, London Branch, as forward purchaser ("DB") (the "DB Confirmation", and together with any subsequent related Confirmation Letter Agreements entered into with DB on substantially the same terms, the "DB Confirmations") and the Confirmation Letter Agreement dated August 8, 2012, between the Company and Bank of America, N.A. ("BOFA") (the "BAML Confirmation", and together with any subsequent related Confirmation Letter Agreements entered into with BOFA on substantially the same terms, the "BAML Confirmations").

In connection with this opinion, we have examined and relied upon such documents, records, certificates and other instruments as we have deemed necessary. The opinions expressed below are limited to the Delaware General Corporation Law, including the reported cases interpreting that law.

Based upon the foregoing, we are of the opinion that, when issued and delivered in conformity with the authorizing resolutions of the Company's Board of Directors dated May 31, 2011 and July 24, 2012 and the authorizing resolutions of the Pricing Committee of the Board of Directors, and against payment of the purchase price therefor in accordance with the DB Confirmations and the BAML Confirmations and as contemplated by the Registration Statement and any applicable prospectus, the Shares will be validly issued, fully paid and nonassessable.

We hereby consent to the incorporation by reference of this opinion as an exhibit to the Registration Statement. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act.

Very truly yours,

/s/ Ropes & Gray LLP

Ropes & Gray LLP

JOINDER AGREEMENT

July 25, 2012

Bank of America, N.A., as Administrative Agent
under the Credit Agreement referred to below
Attention: Cynthia Jordan

Ladies/Gentlemen:

Please refer to the Fifth Amended and Restated Credit Agreement dated as of November 3, 2011 (as amended or otherwise modified from time to time, the "Credit Agreement") among the Borrower, various financial institutions and Bank of America, N.A., as Administrative Agent. Capitalized terms used but not defined herein have the respective meanings set forth in the Credit Agreement.

In connection with the increase in the Aggregate Commitments from \$750,000,000 to \$825,000,000 pursuant to Section 2.3 of the Credit Agreement, the undersigned confirms that it has agreed to become a Lender under the Credit Agreement with a Commitment of \$75,000,000 (which shall, for the avoidance of any doubt, be an Extended Commitment for all purposes of the Credit Agreement) effective on July 25, 2012 (the "Increase Effective Date").

The undersigned (a) acknowledges that it has received a copy of the Credit Agreement and the Schedules and Exhibits thereto, together with copies of the most recent financial statements delivered by the Borrower pursuant to the Credit Agreement, and such other documents and information as it has deemed appropriate to make its own credit and legal analysis and decision to become a Lender under the Credit Agreement; and (b) agrees that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit and legal decisions in taking or not taking action under the Credit Agreement.

The undersigned represents and warrants that (i) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Joinder Agreement and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement; and (ii) no notices to, or consents, authorizations or approvals of, any Person are required (other than any already given or obtained) for its due execution and delivery of this Joinder Agreement or the performance of its obligations as a Lender under the Credit Agreement.

The undersigned agrees to execute and deliver such other instruments, and take such other actions, as the Administrative Agent or the Borrower may reasonably request in connection with the transactions contemplated by this Joinder Agreement.

The following administrative details apply to the undersigned:

(A) Notice Address:

[Intentionally Omitted]

(B) Payment Instructions:

[Intentionally Omitted]

The undersigned acknowledges and agrees that, on the date on which the undersigned becomes a Lender under the Credit Agreement as set forth in the second paragraph hereof, the undersigned (a) will be bound by the terms of the Credit Agreement as fully and to the same extent as if the undersigned were an original Lender under the Credit Agreement and (b) will perform in accordance

with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

This Joinder Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Joinder Agreement may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Joinder Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Joinder Agreement. THIS JOINDER AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[Signature Pages Follow]

Very truly yours,

ROYAL BANK OF CANADA

By: /s/ TIM STEPHENS

Name: Tim Stephens
Title: Authorized Signatory

Acknowledged and consented to as of
July 25, 2012

BANK OF AMERICA, N.A., as Administrative Agent

By: /s/ MARIA MCCLAIN

Name: Maria McClain
Title: Vice President

Acknowledged and consented to as of
July 25, 2012

AFFILIATED MANAGERS GROUP, INC., as Borrower

By: /s/ JOHN KINGSTON, III

Name: John Kingston, III

Title: Vice Chairman, General Counsel and Secretary

QuickLinks

[Exhibit 10.1](#)

[JOINDER AGREEMENT](#)

AFFILIATED MANAGERS GROUP, INC.

Shares of Common Stock
(par value \$0.01 per share)

AMENDED AND RESTATED DISTRIBUTION AGENCY AGREEMENT

August 8, 2012

MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

One Bryant Park
New York, New York 10036

Ladies and Gentlemen:

This Amended and Restated Distribution Agency Agreement amends and restates in its entirety the Distribution Agency Agreement, dated as of July 26, 2011, between Affiliated Managers Group, Inc., a Delaware corporation (the “Company”) and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “Manager”). The Company confirms its agreement with the Manager, as follows:

Introductory. The Company has entered into a forward stock purchase transaction with Bank of America, N.A. (the “Forward Purchaser”) as set forth in a separate letter agreement dated the date hereof, a copy of which is attached hereto as Exhibit A (the “Initial Confirmation”). The Company may also enter into additional forward stock purchase transactions with the Forward Purchaser on substantially similar terms (each, a “Subsequent Confirmation” and, together with the Initial Confirmation, the “Confirmations”).

The Company has also entered into a distribution agency agreement (the “Additional Distribution Agency Agreement”), dated the date hereof, with Deutsche Bank Securities Inc. (the “Additional Manager”) and a forward stock purchase transaction with an affiliate of the Additional Manager and the Company may enter into additional forward stock purchase transactions with an affiliate of the Additional Manager.

Subject to the terms and conditions herein and therein, under the Confirmation and, if applicable, the Subsequent Confirmations, the Company will deliver to the Forward Purchaser, or an affiliate thereof (including the Manager), up to the number of shares of the Company’s common stock, par value \$0.01 per share (the “Common Stock”), as may be sold in accordance with the terms of this Agreement. In connection therewith, the Company and the Forward Purchaser understand that the Forward Purchaser, through the Manager, as sales agent, will effect sales of shares of Common Stock having an aggregate offering price not in excess of \$400,000,000 (the “Shares”) on the terms set forth in Section 2 of this Amended and Restated Distribution Agency Agreement (the “Agreement”).

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Section 1. Representations and Warranties of the Company. The Company represents and warrants to the Manager that:

(a) Compliance with Registration Requirements. The Company has filed, in accordance with the provisions of the Securities Act of 1933, as amended (the “1933 Act”), and the rules and regulations thereunder (the “1933 Act Regulations”), with the Securities and Exchange Commission (the “Commission”) an “automatic shelf registration statement,” as defined in Rule 405 of the 1933 Act Regulations (“Rule 405”), on Form S—3 (File No. 333-168627), including a prospectus, to be used in connection with the public offering and sale of the Shares, which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and the rules and regulations thereunder (the “1934 Act Regulations”), which registration statement became effective not earlier than three years prior to the date of this Agreement upon filing under Rule 462(e) of the 1933 Act Regulations.

Except where the context otherwise requires, the registration statement, as it may have heretofore been amended, including all documents filed as part thereof or incorporated by reference therein, and including any information contained in a Prospectus (as defined below) filed with the Commission pursuant to Rule 430B of the 1933 Act Regulations (“Rule 430B”) and also including any other registration statement filed with the Commission pursuant to Rule 462(b) or Rule 429 of the 1933 Act Regulations, is herein called the “Registration Statement,” the base prospectus filed as part of such Registration Statement, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is herein called the “Base Prospectus,” the prospectus supplement dated August 8, 2012, specifically relating to the Shares prepared and filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations is herein called the “Prospectus Supplement,” and the Base Prospectus, as amended and supplemented from time to time by the Prospectus Supplement, is herein called the “Prospectus.” The Registration Statement at the time it originally became effective is herein called the “Original Registration Statement.” Any reference herein to the Registration Statement, the Base Prospectus, Prospectus Supplement or Prospectus or any amendment or supplement thereto shall be deemed to refer to and include the documents incorporated by reference therein, and any reference herein to the terms “amend,” “amendment” or “supplement” with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing after the execution hereof with the Commission of any post-effective amendment to the Registration Statement, any Prospectus Supplement and any document deemed to be incorporated by reference therein.

To the extent that the Registration Statement is not available for the sales of the Shares as contemplated by this Agreement or the Company is not a “well known seasoned issuer” as defined in Rule 405 or otherwise is unable to make the representations set forth in Section 1(b) at any time when such representations are required, the Company shall file a new registration statement with respect to any additional shares of Common Stock necessary to complete such sales of the Shares and shall cause such registration statement to become effective as promptly as practicable. After the effectiveness of any such registration statement, all references to “Registration Statement” included in this Agreement shall be deemed to include such new registration statement, including all documents filed as part thereof or incorporated therein by reference, and all references to “Prospectus” included in this Agreement shall be

deemed to include the final form of prospectus, including all documents incorporated therein by reference, included in any such registration statement, as amended or supplemented from time to time (including by any prospectus supplement thereto). For purposes of this Agreement, all references to the Registration Statement or the Prospectus or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to its Electronic Data Gathering Analysis and Retrieval System (“EDGAR”), and such copy shall be identical in content to any Prospectus delivered to the Manager for use in connection with the offering of the Shares.

(b) Well-Known Seasoned Issuer. (1) At the time of filing of the Original Registration Statement, (2) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the 1933 Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act or form of prospectus), (3) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the 1933 Act Regulations) made any offer relating to the Shares in reliance on the exemption of Rule 163 of the 1933 Act Regulations, (4) at the earliest time after the filing of the Original Registration Statement that a bona fide offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Shares was made, and (5) at the date hereof, the Company was and is a “well-known seasoned issuer” as defined in Rule 405. The Registration Statement is an “automatic shelf registration statement,” as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 “automatic shelf registration statement.” The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the 1933 Act Regulations objecting to the use of the automatic shelf registration statement form.

(c) S-3 Eligibility. The Company meets, and at the time of filing of the Original Registration Statement met, the requirements for use of Form S-3 under the 1933 Act. The Registration Statement has been filed with the Commission and is effective under the 1933 Act. The Company has not received, and has no notice of, any order of the Commission preventing or suspending the use or effectiveness of the Registration Statement, or threatening or instituting proceedings for that purpose. Any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been so described or filed. Copies of the Registration Statement and the Prospectus, any such amendments or supplements and all documents incorporated by reference therein that were filed with the Commission on or prior to the date of this Agreement (including one fully executed copy of each of the Registration Statement and of each amendment thereto for the Manager) have been delivered to the Manager and its counsel. The Company has not distributed any offering material in connection with the offering or sale of the Shares other than the Registration Statement, the Prospectus or any other materials, if any, permitted by the 1933 Act and the 1933 Act Regulations and reviewed and consented to by the Manager.

(d) Form Compliance; No Material Misstatement or Omission of a Material Fact. Each of the Registration Statement, any post-effective amendment thereto, the Prospectus and any amendment or supplement thereto conforms, and when it became effective or was filed with the Commission conformed, in all material respects with the requirements of the 1933 Act and

the 1933 Act Regulations. The Registration Statement and any post-effective amendment thereto, when it became effective or was filed with the Commission, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus and any amendment or supplement thereto does not, and on the date of filing thereof with the Commission did not, include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the foregoing shall not apply to statements in, or omissions from, any such document in reliance upon, and in conformity with, written information concerning the Manager that was furnished in writing to the Company by the Manager specifically for use in the preparation thereof.

(e) Issuer Free Writing Prospectuses. Any Issuer Free Writing Prospectus(es) (as defined below) and the Prospectus, as amended or supplemented, all considered together (collectively, the “General Disclosure Package”), do not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As used in this subsection and elsewhere in this Agreement:

“Applicable Time” means the time of each sale of any Shares pursuant to this Agreement.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the 1933 Act Regulations (“Rule 433”), relating to the Shares, in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

Each Issuer Free Writing Prospectus does not, and as of its issue date and all subsequent times did not, include any information that conflicts or conflicted with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein, and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified.

The representations and warranties in this Section 1(e) shall not apply to statements in or omissions from the Registration Statement, the Prospectus or any amendments or supplements thereto or any Issuer Free Writing Prospectus made in reliance upon and in conformity with the Manager Information.

(f) Incorporation of Documents by Reference. The documents incorporated by reference in the Registration Statement and the Prospectus comply, and at the time they were filed with the Commission complied, in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations, and, when read together with the other information in the Prospectus, do not, and at the time the Original Registration Statement became effective and at the date of the Prospectus did not, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(g) Independent Accountants. The accountants who certified the financial statements and supporting schedules incorporated by reference into the Registration Statement and the Prospectus are independent public accountants as required by the 1933 Act and the 1933 Act Regulations.

(h) Financial Statements. The financial statements included in or incorporated by reference into the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects (i) the financial position of the Company and its consolidated subsidiaries at the dates indicated and (ii) the consolidated statements of income, changes in stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved, except as stated therein. The supporting schedules incorporated by reference into the Registration Statement and the Prospectus present fairly in accordance with GAAP the information required to be stated therein. Any *pro forma* financial statements of the Company, and the related notes thereto, included in or incorporated by reference into the Registration Statement and the Prospectus present fairly the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to *pro forma* financial statements and have been properly compiled on the basis described therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. No other financial statements are required to be set forth in or incorporated by reference into the Registration Statement or the Prospectus under the 1933 Act or the 1933 Act Regulations.

(i) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change or prospective material adverse change in the business, management, financial position, stockholders equity or results of operations of the Company and its subsidiaries considered as one enterprise from that set forth in the Registration Statement, the General Disclosure Package and the Prospectus, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(j) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and perform its obligations under, or as contemplated by, this Agreement and the Confirmations. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

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(k) Good Standing of Subsidiaries. Each subsidiary of the Company has been duly organized or formed and is validly existing as a corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, under the laws of its jurisdiction of organization and is in good standing under the laws of its jurisdiction of organization, has power (corporate or otherwise) and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Prospectus and is duly qualified as a foreign corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect. Except as otherwise disclosed in the General Disclosure Package and the Prospectus, all of the issued shares of capital stock of each subsidiary of the Company which is a corporation, have been duly authorized and validly issued, and are fully paid and non-assessable, and to the extent owned by the Company or any of its subsidiaries (except for directors' qualifying shares and as described or reflected generally in the General Disclosure Package and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, in each case with such exceptions, individually or in the aggregate, as would not have a Material Adverse Effect. The partnership interests, membership interests and shares of beneficial interest of each subsidiary of the Company which is a partnership, limited liability company or Massachusetts business trust have been validly issued in accordance with applicable law and the partnership agreement, limited liability agreement or declaration of trust, as applicable, of such subsidiary, and to the extent owned by the Company or any of its subsidiaries (except as described or reflected generally in the General Disclosure Package and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except, in the case of each subsidiary of the Company, for liens, encumbrances, equities or claims which individually or in the aggregate would not be material to the Company's ownership of such subsidiary or to the Company's exercise of its rights with respect to such subsidiary; and none of the outstanding shares of capital stock, partnership interests, membership interests or shares of beneficial interests, as the case may be, of any subsidiary of the Company was issued in violation of the preemptive or similar rights of any securityholder of such subsidiary.

(l) Capitalization. The Company has the authorized, issued and outstanding capitalization described in the General Disclosure Package and the Prospectus (except for subsequent issuances, if any, pursuant to reservations, agreements or employee benefit plans or pursuant to the exercise of convertible securities or options, in each case accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented). The shares of issued and outstanding capital stock of the Company, including the Shares, have been duly authorized and validly issued and are fully paid and non-assessable; and none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented, or pursuant to reservations, agreements or employee benefit plans or the exercise of convertible

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securities or options, in each case accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented.

(m) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(n) Authorization of Confirmations. The Initial Confirmation has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The Company has duly authorized each Subsequent Confirmation and, when executed and delivered by the Company, each Subsequent Confirmation will constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The description of the Confirmation and the Subsequent Confirmations set forth in the General Disclosure Package and the Prospectus is correct in all material respects.

(o) Authorization and Description of Shares. The description of the Common Stock set forth in the General Disclosure Package and the Prospectus is correct in all material respects. The Settlement Shares (as defined in the Confirmation(s)) have been duly authorized by the Company for issuance and sale to the Forward Purchaser pursuant to the Confirmation(s) and, if and when issued and delivered by the Company pursuant to the Confirmation(s) against payment of the consideration specified therein, will be validly issued, fully paid and non-assessable and will not be issued in violation of any preemptive or other similar rights of any securityholder of the Company. No holder or beneficial owner of the Shares or the Settlement Shares will be subject to personal liability solely by reason of being such a holder or beneficial owner. The issuance and sale by the Company of the Settlement Shares to the Forward Purchaser or its affiliate in settlement of the Confirmation(s) in accordance with the terms thereof and the delivery by the Forward Purchaser or its affiliate of the Settlement Shares, during the term of and at settlement of the Confirmation(s), to close out open borrowings of Common Stock created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under the Confirmation(s) will not require registration under the 1933 Act. The Company will not have an obligation to file a prospectus supplement pursuant to Rule 424(b) of the 1933 Act Regulations in connection with any Settlement Shares delivered to the Forward Purchaser or its affiliate by the Company upon such settlement, and no prospectus supplement will be required to be filed under Rule 424(b) of the 1933 Act Regulations in connection with any Settlement Shares delivered by the Forward Purchaser or its affiliate to close out open borrowings created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under the Confirmation(s), assuming in each case that the Manager complied with Rule 173 of the 1933 Act Regulations in connection with

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the sales of Shares in an amount not less than the Number of Shares (as defined in the Confirmation(s)).

(p) Listing on New York Stock Exchange. The Shares are listed on the New York Stock Exchange (the "NYSE") and the Company has taken no action designed to, or likely to have the effect of, terminating the listing of the Shares from the NYSE, nor has the Company received any notification that the Commission or the NYSE is contemplating terminating such listing.

(q) Absence of Defaults and Conflicts. Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws or other constituting or organizational document or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary of the Company is subject (collectively, "Agreements and Instruments") except for such defaults that would not result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement and the Confirmation(s) and the consummation of the transactions contemplated herein and therein and in the General Disclosure Package and the Prospectus and compliance by the Company with its obligations hereunder and thereunder, have been duly authorized by all necessary corporate action and do not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary of the Company pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not result in a Material Adverse Effect), nor will such action result in any violation of the provisions of the charter or by-laws or other constituting or organizational instrument as in effect on the date hereof of the Company or any subsidiary of the Company or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary of the Company or any of their assets, properties or operations, except for any such violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of law which would not result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary of the Company.

(r) Absence of Proceedings. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any subsidiary of the Company, which, singly or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be expected to materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations hereunder.

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(s) Accuracy of Descriptions. All of the descriptions of contracts or other documents contained or incorporated by reference in the Registration Statement, the General Disclosure Package and the Prospectus are accurate and complete descriptions in all material respects of such contracts or other documents.

(t) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder or under the Confirmation(s) or the consummation of the transactions contemplated by this Agreement, or for the due execution, delivery or performance of this Agreement and the Confirmation(s), except such as have been already obtained or as may be required under the 1933 Act or the 1933 Act Regulations or state securities laws.

(u) Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except in any such case where the failure to so possess or to comply would not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

(v) Title to Property. The Company and its subsidiaries have good and marketable title to all real property owned by the Company and its subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the General Disclosure Package and the Prospectus or (b) would not, singly or in the aggregate, result in a Material Adverse Effect; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the General Disclosure Package and the Prospectus, are in full force and effect, and neither the Company nor any subsidiary of the Company has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary of the Company under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease.

(w) No Investment Company. Neither the Company nor any of its subsidiaries is, and upon the offering of the Shares as herein contemplated will be, an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended (the "1940 Act").

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(x) Company Not an Investment Adviser. The Company is not required to register as an "investment adviser" or as a "broker-dealer" within the Investment Advisers Act of 1940, as amended (the "Advisers Act") or the 1934 Act, respectively, and the rules and regulations of the Commission promulgated thereunder. The Company is not required to be registered, licensed or qualified as an investment adviser or broker-dealer under the laws requiring any such registration, licensing or qualification in any jurisdiction in which it or its subsidiaries conduct business. Each of the subsidiaries has been duly registered as an investment adviser under the Advisers Act, and has been duly registered as a broker-dealer under the 1934 Act, and each such registration is in full force and effect, in each case to the extent such registration is required and with such exceptions as would not reasonably be expected to have a Material Adverse Effect. Each of the subsidiaries is duly registered, licensed or qualified as an investment adviser and broker-dealer under state and local laws where such registration, licensing or qualification is required by such laws and is in compliance with all such laws requiring any such registration, licensing or qualification, in each case with such exceptions, individually or in the aggregate, as would not reasonably be expected to have a Material Adverse Effect.

(y) Investment Adviser Subsidiaries. Each subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is and has been in compliance with all applicable laws and governmental rules and regulations, as may be applicable to its investment advisory or broker-dealer business, except to the extent that such non-compliance would not reasonably be expected to result in a Material Adverse Effect and none of such subsidiaries is prohibited by any provision of the Advisers Act or the 1940 Act from acting as an investment adviser. Each subsidiary of the Company which is required to be registered as a broker-dealer is a member in good standing of the Financial Industry Regulatory Authority ("FINRA"). No subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is in default with respect to any judgment, order, writ, injunction, decree, demand or assessment issued by any court or any foreign, federal, state, municipal or other governmental agency, board, commission, bureau, instrumentality or department, domestic or foreign, or by any self-regulatory authority relating to any aspect of its investment advisory or broker-dealer business, which would need to be disclosed pursuant to Rule 206(4)-4(b) under the Advisers Act, or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 11, Part 1 of the Form ADV of such registered investment adviser or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 7 of the Form BD of such broker-dealer.

(z) Investment Company Mutual Funds. Each mutual fund of which a subsidiary of the Company serves as the investment advisor (a "Mutual Fund") has been since inception, is currently and will be immediately after consummation of the transactions contemplated herein, a duly registered investment company in compliance with the 1940 Act, and the rules and regulations promulgated thereunder and duly registered or licensed, except where any failure to be duly registered, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. Since their initial offering, shares of each of the Mutual Funds have been duly qualified for sale under the securities laws of each jurisdiction in which they have been sold or offered for sale at such time or times during which such qualification was required, and, if not so qualified, the failure to so qualify would not reasonably be expected to have a Material Adverse Effect. The offering and sale of shares of each of the Mutual Funds have been

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registered under the 1933 Act during such period or periods for which such registration is required; the related registration statement has become effective under the 1933 Act; no stop order suspending the effectiveness of any such registration statement has been issued and no proceedings for that purpose have been instituted or, to the best knowledge of the Company, are contemplated. Except to the extent that such failure to comply, misstatement or omission, as the case may be, would not reasonably be likely to result in a Material Adverse Effect, the registration statement of each Mutual Fund, together with the amendments and supplements thereto, under the 1940 Act and the 1933 Act has, at all times when such registration statement was effective, complied in all material respects with the requirements of the 1940 Act and the 1933 Act then in effect and neither such registration statement nor any amendments or supplements thereto contained, at the time and in light of the circumstances in which they were made, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, at the time and in the light of the circumstances under which they were made, not misleading. All shares of each of the Mutual Funds were sold pursuant to an effective registration statement, or pursuant to a valid exemption from registration, and have been duly authorized and are validly issued, fully paid and non-assessable. Each of the Mutual Funds' investments has been made in accordance with its investment policies and restrictions set forth in its registration statement in effect at the time the investments were made and have been held in accordance with its respective investment policies and restrictions, to the extent applicable and in effect at the time such investments were held, except to the extent any failure to comply with such policies and restrictions, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(aa) Investment Advisory Agreements. The Company is not party to any investment advisory agreement or distribution agreement and is not serving or acting as an investment adviser to any person. Each of the investment advisory agreements to which any of its subsidiaries is a party is a legal and valid obligation of such subsidiary and complies with the applicable requirements of the Advisers Act and the rules and regulations of the Commission thereunder, except where the failure to so comply would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of the investment advisory agreements and distribution agreements between a subsidiary of the Company and a Mutual Fund is a legal and valid obligation of such subsidiary and complies with the applicable requirements of the 1940 Act, and in the case of such distribution agreements, with the applicable requirements of the 1934 Act, except where the failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No investment advisory agreement or distribution agreement to which any of the subsidiaries is a party that was either in effect on January 1, 2008 or entered into by a subsidiary of the Company since January 1, 2008 has been terminated or expired, except where any such termination or expiration would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of such subsidiaries is in breach or violation of or in default under any such investment advisory agreement or distribution agreement, with such exceptions individually or in the aggregate as would not reasonably be expected to have a Material Adverse Effect. No subsidiary of the Company is serving or acting as an investment adviser to any person except pursuant to an agreement to which such subsidiary is a party and which is in full force and effect, other than any agreement the non-existence of which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The consummation of the transaction

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contemplated herein will not constitute an “assignment” as such term is defined in the Advisers Act and the 1934 Act.

(bb) No Fiduciary Duties. The Company acknowledges and agrees that (i) the sale of the Shares pursuant to this Agreement is an arm’s-length commercial transaction among the Company, on the one hand, and the Forward Purchaser and the Manager, on the other hand, (ii) in connection with the offering contemplated hereby and the process leading to such transaction, the Manager is acting as agent for the Forward Purchaser in connection with sales of the Shares sold on behalf of the Forward Purchaser and neither the Manager nor the Forward Purchaser nor any of their affiliates is an agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (iii) the Manager has not assumed and will not assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Manager has advised or is currently advising the Company on other matters) and the Manager has no obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (iv) the Manager and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (v) the Manager has not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

(cc) Internal Control over Financial Reporting. The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the 1934 Act Regulations) that complies with the requirements of the 1934 Act and the 1934 Act Regulations and that has been designed by the Company’s principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting, the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement. The Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting. Since the date of the latest audited financial statements included or incorporated by reference in the General Disclosure Package and the Prospectus, there has been no change in the Company’s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

(dd) eXtensible Business Reporting Language. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission’s rules and guidelines applicable thereto.

(ee) Disclosure Controls and Procedures. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the 1934 Act Regulations) that comply with the requirements of the 1934 Act and the 1934 Act Regulations; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company’s principal

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executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective.

(ff) No Stop Order or Cease-and-Desist Proceeding. The Registration Statement is not the subject of a pending proceeding or examination under Section 8(d) or 8(e) of the 1933 Act, and the Company is not the subject of a pending proceeding under Section 8A of the 1933 Act in connection with the offering of the Securities.

(gg) Actively-Traded Security. The Common Stock is an “actively traded security” exempted from the requirements of Rule 101 of Regulation M under the 1934 Act by subsection (c)(1) of such rule.

(hh) No Other At-The-Market Offerings. Except for the Additional Distribution Agency Agreement and as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company has not entered into any other sales agency agreements or other similar arrangements with any agent or any other representative in respect of at the market offerings of the Shares in accordance with Rule 415(a)(4) of the 1933 Act Regulations.

(ii) No Stabilization or Manipulation. The Company has not taken, directly or indirectly, any action designed to or that might be reasonably expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(jj) No Commissions. There is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder’s fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(kk) Deemed Representation. Any certificate signed by any officer of the Company delivered to the Manager or to counsel for the Manager pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Manager as to the matters covered thereby.

Section 2. Sale and Delivery of Shares.

(a) Subject to the terms and conditions set forth herein, the Manager agrees to use its reasonable efforts to sell the Shares as sales agent for the Forward Purchaser in the manner contemplated by the General Disclosure Package.

(b) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company, the Forward Purchaser and the Manager on any day that is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time, each, a "Trading Day") that the Company has satisfied its obligations under Section 4 of this Agreement and that the Company has instructed the Manager to make such sales. On any Trading Day, the Company, in consultation with the Forward Purchaser and the Manager, may instruct the Manager by telephone (confirmed promptly by teletype or email, which confirmation will be promptly acknowledged by the Manager) as to the maximum amount of Shares to be sold by the Manager on such day (in any event not in excess of the amount then

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available for sale under the Prospectus and the currently effective Registration Statement) and the minimum price per Share at which such Shares may be sold. Subject to the terms and conditions hereof, the Manager shall use its commercially reasonable efforts to sell as sales agent for the Forward Purchaser all of the Shares so designated by the Company. The Company and the Manager each acknowledge and agree that (A) there can be no assurance that the Manager will be successful in selling the Shares, (B) the Manager will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Manager to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares as required by this Agreement, and (C) the Manager shall be under no obligation to purchase Shares on a principal basis.

(c) Notwithstanding the foregoing, the Company shall not authorize the sale of, and the Manager shall not be obligated to use its commercially reasonable efforts to sell, any Shares (i) at a price lower than the minimum price therefor authorized from time to time, or (ii) having an aggregate offering price in excess of the aggregate offering price of Shares authorized from time to time to be issued and sold under this Agreement, in each case, by the Company's board of directors, or a duly authorized committee thereof, and notified to the Manager in writing. In addition, the Company or the Manager may, upon notice to the other party hereto by telephone (confirmed promptly by teletype or email, which confirmation will be promptly acknowledged), suspend the offering of the Shares for any reason and at any time; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice. Under no circumstances shall the aggregate offering price of Shares sold pursuant to this Agreement and the Additional Distribution Agency Agreement exceed the aggregate offering price of Shares set forth in the "Introductory" paragraph of this Agreement or the aggregate offering price of Common Stock available for sale under the currently effective Registration Statement. Notwithstanding any of the provisions of this Agreement, in the event that either (i) the Forward Purchaser is unable to borrow and deliver any Shares for sale under this Agreement or (ii) in the sole judgment of the Forward Purchaser, it is either impracticable to do so or the Forward Purchaser would incur a stock loan cost that is equal to or greater than 75 basis points per annum to do so, then the Manager shall only be required to sell on behalf of the Forward Purchaser the aggregate number of Shares that the Forward Purchaser is able to, and that it is practicable to, so borrow below such cost.

(d) The Company agrees that any offer to sell, any solicitation of an offer to buy, or any sales of Shares pursuant to this Agreement or the Additional Distribution Agency Agreement shall be effected by or through only one of the Manager or the Additional Manager on any single day, but in no event by both, and the Company shall in no event request that the Manager and the Additional Manager sell Shares on the same day.

(e) If either party reasonably believes that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the 1934 Act are not satisfied with respect to the Company or the Shares, it shall promptly notify the other party and sales of Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

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(f) The Manager shall not make any sales of Shares on behalf of the Forward Purchaser other than by means of ordinary brokers' transactions in accordance with Rule 153 of the 1933 Act Regulations.

(g) The gross sales price of any Shares sold pursuant to this Agreement shall be the market or other price agreed to by the Company and the Manager for Shares sold by the Manager under this Agreement at the time of such sale. The compensation payable to the Manager for sales of Shares shall be deemed to equal the difference between such gross proceeds and the amount payable by the Forward Purchaser to the Company under the Confirmation(s), assuming full physical settlement of the Confirmation(s) based on the Initial Forward Price (as such term is defined in the Confirmation(s)). The amount payable by the Forward Purchaser to the Company under the Confirmation(s), assuming full physical settlement of the Confirmation(s) based on the Initial Forward Price, subject to the price adjustment and other provisions of the Confirmation(s) shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(h) The Manager shall provide written confirmation (which may be by teletype or email) to the Company following the close of trading on the NYSE each day on which Shares are sold under this Agreement setting forth the number of Shares sold on such day, the price or prices at which such Shares were sold on such day, the aggregate gross sales proceeds of the Shares, the Net Proceeds to the Company and the compensation payable by the Company to the Manager with respect to such sales.

(i) Settlement for sales of Shares pursuant to this Section 2 will occur on the third business day that is also a Trading Day following the trade date on which such sales are made, unless another date shall be agreed to by the Company and the Manager (each such day, a "Settlement Date"). On each Settlement Date, the Shares sold through the Manager for settlement on such date shall be delivered by the Forward Purchaser to the Manager.

(j) Notwithstanding any other provision of this Agreement, the Company and the Manager agree that no sales of Shares shall take place, and the Company shall not request the sale of any Shares that would be sold, and the Manager shall not be obligated to sell, (A) during any period starting on the first day of each fiscal quarter of the Company and ending on the day on which the Company's insider trading policy, as it exists on the date of the

Agreement, does not prohibit the purchases or sales of the Company's Common Stock by its officers or directors, or (B) during any other period in which the Prospectus or any amendment or supplement thereto includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) At each Applicable Time and on each Settlement Date, each date the Registration Statement or the Prospectus shall be amended or supplemented (other than a prospectus supplement to the Prospectus included as part of the Registration Statement filed pursuant to Rule 424(b) of the 1933 Act Regulations relating solely to the offering of securities other than the Shares) (a "Registration Statement Amendment Date") and each date the Company files an Annual Report on Form 10-K or a Quarterly Report on Form 10-Q or an amendment to any such document (a "Company Periodic Report Date"), the Company shall be

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deemed to have affirmed each representation and warranty (except for the representation and warranty in Section 1(l) hereof, which the Company shall be deemed to have affirmed only at each Company Periodic Report Date) and its compliance with each covenant and other agreement contained in this Agreement (unless the Company shall have notified the Manager to the contrary in writing). The Company shall cause a senior corporate officer of the Company from time to time designated by the Company (which senior corporate officer shall initially be one of the senior corporate officers specified in Exhibit C hereto) to respond via electronic mail to a communication from the Manager in the form set forth in Exhibit C hereto when, during the term of this Agreement, the Company shall have received such a communication. Any obligation of the Manager to use its commercially reasonable efforts to sell the Shares on behalf of the Forward Purchaser shall be subject to, as determined in the reasonable discretion of the Manager, the continuing accuracy of the representations and warranties of the Company, the compliance by the Company with each covenant contained herein, the performance by the Company of its obligations hereunder and the continuing satisfaction of the additional conditions specified in Section 4 of this Agreement.

Section 3. Covenants of the Company. The Company hereby covenants and agrees with the Manager that:

(a) During the period beginning on the date hereof and ending on the date, as determined in the reasonable discretion of the Manager, that a prospectus is no longer required by law to be delivered in connection with the offering or sales of the Shares by the Manager or any dealer (whether physically or through compliance with Rule 153 or 172 of the 1933 Act Regulations, or in lieu thereof, a notice referred to in Rule 173(a) of the 1933 Act Regulations) (the "Prospectus Delivery Period"):

(i) the Company will notify the Manager promptly in writing of the time when any subsequent amendment to the Registration Statement has become effective or any amendment to the Registration Statement or any subsequent supplement to the Prospectus has been filed;

(ii) the Company will prepare and file with the Commission any material required to be filed with the Commission pursuant to Rule 433(d) of the 1933 Act Regulations and any amendments or supplements to the Registration Statement or the Prospectus that, in the reasonable judgment of the Company, may be necessary or advisable in connection with the offering of the Shares by the Manager;

(iii) the Company will comply with Rule 430B; provided, however, that the Company will not file any amendment to the Registration Statement or supplement to the Prospectus unless a copy thereof has been submitted to the Manager a reasonable period of time before filing with the Commission or if the Manager reasonably objects to such filing in writing, in each case excluding an amendment by incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act.

(iv) the Company will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission

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pursuant to Section 13, 14 or 15 of the 1934 Act and will advise the Manager of any such filing;

(v) the Company will furnish to the Manager at the time of filing thereof, a copy of any document that upon filing is deemed to be incorporated by reference in the Registration Statement or the Prospectus; and

(vi) the Company will cause each amendment or supplement to the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the 1933 Act Regulations or, in the case of any document to be incorporated therein by reference, to be filed with the Commission as required pursuant to the 1934 Act, within the prescribed time period.

(b) The Company shall pay the required Commission filing fees relating to the Shares within the time required by Rule 456(b)(1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1933 Act Regulations.

(c) The Company will promptly advise the Manager of the receipt of any comments of or request by the Commission for any amendment or supplement to the Registration Statement or the Prospectus, including the documents incorporated by reference therein, or for additional or supplemental information with respect thereto or of notice of institution of proceedings for the entry of a stop order suspending the effectiveness of the Registration Statement by the Commission or of any examination pursuant to Section 8(e) of the 1933 Act concerning the Registration Statement or of any order or notice preventing or suspending the use of the Registration Statement, any preliminary prospectus or the Prospectus, or of any proceedings to remove, suspend or terminate from listing or quotation the Common Stock from any securities exchange upon which it is listed for trading or included or designated for quotation, or of the threatening or initiation of any proceedings for any of such purposes. The Company shall use its best efforts to prevent the issuance of any such stop order or notice of prevention or suspension of such use. If the Commission shall enter any such stop order or issue any such notice at any time, the Company will use its best efforts to obtain the lifting or reversal of such order or notice at the earliest possible moment, or will file an amendment to the Registration Statement or a new registration statement in a form satisfactory to the Manager and use its best efforts to have such amendment or new registration statement become effective as soon as practicable.

(d) The Company will make available to the Manager and from time to time furnish to the Manager, at the Company's expense, copies of the Prospectus (or the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective

date of the Registration Statement) in such quantities and at such locations as the Manager may reasonably request for the purposes contemplated by the 1933 Act.

(e) The Company will promptly notify the Manager to suspend the offering of Shares upon the happening of any event known to the Company during the Prospectus Delivery Period or otherwise prior to the final Settlement Date which, in the reasonable judgment of the Company, would require the making of any change in the Registration Statement or in the

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Prospectus then being used, or in the information incorporated by reference therein, so that the Registration Statement and the Prospectus would not include an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. During such time period, the Company will prepare and furnish, at the Company's expense, to the Manager promptly such amendments or supplements to such Registration Statement and Prospectus as may be necessary to reflect any such change and will furnish the Manager with a copy of such proposed amendment or supplement before filing any such amendment or supplement with the Commission. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement (or any other registration statement relating to the Shares) or the Prospectus or any preliminary prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly notify the Manager and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(f) The Company will furnish such information as may be required and otherwise will cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such jurisdictions as the Manager may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares). The Company will promptly advise the Manager of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(g) Prior to the final Settlement Date, the Company will furnish to the Manager (i) copies of any reports or other communications which the Company shall send directly to its stockholders or shall from time to time publish or publicly disseminate, (ii) copies of all annual, quarterly and current reports filed with the Commission on Forms 10-K, 10-Q and 8-K, or such other similar form as may be designated by the Commission, (iii) copies of any financial statements or reports filed with any national securities exchange on which any class of securities of the Company is listed, and (iv) such other information as the Manager may reasonably request regarding the Company, in each case as soon as such reports, communications, documents or information becomes available. Where in any part of this Agreement there is an obligation on the part of the Company to deliver a document to the Manager, such obligation shall be deemed satisfied if such document shall have been filed on the Commission's EDGAR system.

(h) The Company will make generally available to its stockholders as soon as practicable, and in the manner contemplated by Rule 158 of the 1933 Act Regulations but in any event not later than 15 months after the end of the Company's current fiscal quarter, an earnings statement (which need not be audited) covering a 12 month period beginning after the date upon which a prospectus supplement is filed pursuant to Rule 424(b) of the 1933 Act Regulations that

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shall satisfy the provisions of Section 11(a) of the 1933 Act and Rule 158 of the 1933 Act Regulations.

(i) Whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, the Company will pay all of its costs, expenses, fees and taxes incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Prospectus, each prospectus supplement filed by the Company in connection with the offering and sale of Shares by the Manager under this Agreement and any amendments or supplements thereto and the printing and furnishing of copies of each thereof to the Manager (including costs of mailing and shipment), (ii) the producing, word processing and/or printing of this Agreement, the Confirmation(s), any power of attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Manager (including costs of mailing and shipment), (iii) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Manager) and the preparation, printing and furnishing of copies of any blue sky surveys to the Manager, (iv) the listing of the Settlement Shares on the NYSE, (v) any filing for review of the public offering of the Shares by FINRA, (vi) the fees and disbursements of the Company's counsel and accountants, (vii) the performance of the Company's other obligations hereunder, (viii) the costs and expenses (including without limitation any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Shares made by the Manager caused by a breach of the representation contained in the first paragraph of Section 1(e), and (ix) the registration, issue, sale and delivery of the Settlement Shares. The Manager will pay its own out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses as well as the fees and disbursements of its legal counsel.

(j) The Company will use the Net Proceeds from the sale of the Shares in the manner set forth in the Prospectus.

(k) The Company will not sell, offer or agree to sell, contract to sell, pledge, register, grant any option to purchase or otherwise dispose of, directly or indirectly, any shares of capital stock or securities convertible into or exchangeable, exercisable or redeemable for capital stock or warrants or other rights to purchase capital stock, except (i) for the registration of the Shares and the sales of Shares through the Manager or the Additional Manager pursuant to this Agreement or the Additional Distribution Agreement, respectively, (ii) for shares of Common Stock issued pursuant to existing options, employee benefit agreements or incentive stock or director stock unit plans, (iii) any shares of Common Stock or other securities issued as consideration for investments in or acquisitions of entities involved in investment advisory or investment management activities or other financial services related business, or (iv) any filing under the 1933 Act relating to any shares of Common Stock on Form S-8 or any issuances of Common Stock thereunder, without (a) giving the Manager at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale and

(b) the Manager suspending activity under this program for such period of time as requested by the Company or as deemed appropriate by the Manager in light of the proposed sale.

(l) At any time during the term of this Agreement, the Company will advise the Manager immediately after it shall have received notice or obtain knowledge thereof, of (x) any information or fact that, in the opinion of counsel to the Company, would alter or affect, in any material respect, any opinion, certificate, letter or other document provided to the Manager pursuant to Section 4 of this Agreement or any of the representations or warranties made pursuant to Section 1 of this Agreement or (y) any non-compliance or imminent non-compliance by the Company with any of its covenants or obligations hereunder in any material respect.

(m) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement, on every Monday during the term of this Agreement following a week during which no certificate was furnished pursuant to this Section 3(m) (except for any Monday during any period starting on the first day of each fiscal quarter of the Company and ending on the third business day following the next Company Earnings Report Date) and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date, and each date on which a current report on Form 8-K shall be furnished by the Company under Item 2.02 of such form in respect of a public disclosure or material non-public information regarding the Company's results of operations or financial condition for a completed quarterly or annual fiscal period (a "Company Earnings Report Date") and on such other dates as the Manager shall reasonably request, the Company will furnish or cause to be furnished forthwith to the Manager a certificate dated the date of effectiveness of such amendment, the date of filing with the Commission of such supplement or other document or the date of such request, as the case may be, in a form satisfactory to the Manager to the effect that the statements contained in the certificate referred to in Section 4(e) of this Agreement which were last furnished to the Manager are true and correct at the time of such amendment, supplement or filing, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 4(e), but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the time of delivery of such certificate. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not furnish or cause to be furnished the certificate on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company furnishes or causes to be furnished such certificate (and any other deliverables that may be due pursuant to the last sentence of Sections 3(n) and 3(o), respectively, of this Agreement).

(n) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date and each Company Earnings Report Date and on such other dates as the Manager shall reasonably request, the Company will furnish

or cause to be furnished forthwith to the Manager and to counsel to the Manager written opinions and negative assurance letters of Ropes & Gray LLP, dated the date of effectiveness of such amendment, the date of filing with the Commission of such supplement or other document or the date of such request, as the case may be, in a form and substance satisfactory to the Manager and its counsel, of the same tenor as the opinions and negative assurance letters referred to in Section 4(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the time of delivery of such opinion, provided that the Company shall not be required to furnish or cause to be furnished the opinion referred to in Section 4(c) other than upon the commencement of the offering of the Shares and each date the Company files an Annual Report on Form 10-K. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not furnish or cause to be furnished the opinion and/or negative assurance letter on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company furnishes or causes to be furnished such opinion and/or negative assurance letter (and any other deliverables that may be due pursuant to the last sentence of Sections 3(m) and 3(o), respectively, of this Agreement); provided that the Company shall be required to furnish an opinion only if the Company has filed an Annual Report on Form 10-K during this suspension period.

(o) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date and each Company Earnings Report Date and on such other dates as the Manager shall reasonably request, the Company will cause PricewaterhouseCoopers LLP to furnish to the Manager a letter, dated the date of effectiveness of such amendment, the date of filing of such supplement or other document with the Commission or the date of such request, as the case may be, in form satisfactory to the Manager and its counsel, of the same tenor as the letter referred to in Section 4(d) hereof, but modified as necessary to relate to the Registration Statement and the Prospectus, as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the date of such letter. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not cause PricewaterhouseCoopers LLP to furnish the letter on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company causes PricewaterhouseCoopers LLP to furnish such letter (and any other deliverables that may be due pursuant to the last sentence of Sections 3(m) and 3(n), respectively, of this Agreement).

(p) The Company acknowledges that the Manager will be trading the Company's Common Stock for the Manager's own account and for the account of its clients at the same time as sales of Shares occur pursuant to this Agreement.

(q) If any condition set forth in Section 4(a) or 4(g) hereof shall not have been satisfied on the applicable Settlement Date, the Manager, at the direction of the Company, will offer to any person who has agreed to purchase Shares pursuant to the offering contemplated by this Agreement as the result of an offer to purchase solicited by the Manager the right to refuse to purchase and pay for such Shares.

(r) The Company will disclose in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as applicable, the number of Shares sold through the Manager under this Agreement and through the Additional Manager under the Additional Distribution Agency Agreement, the Net Proceeds from such sales and the compensation deemed paid by the Company with respect to sales of Shares pursuant to this Agreement and the Additional Distribution Agency Agreement during the relevant period.

(s) The Company will use its best efforts to cause the Settlement Shares to be listed on the NYSE and to maintain such listing and to file with the NYSE all documents and notices required by the NYSE of companies that have securities that are listed on the NYSE, it being understood that the Manager shall not be obligated to effect any sales of Shares in an amount exceeding the number of Settlement Shares that have been approved for listing on the NYSE.

(t) The Company will not (i) take, directly or indirectly, any action designed to stabilize or manipulate the price of any security of the Company, or which may cause or result in, or which might in the future reasonably be expected to cause or result in, the stabilization or manipulation of the price of any security of the Company, to facilitate the sale or resale of any of the Shares, (ii) bid for or purchase, or pay any person (other than as contemplated by the provisions of this Agreement) any compensation for, soliciting purchases of the Shares, or (iii) pay or agree to pay to any person any compensation for soliciting any order to purchase any security that is a “reference security” with respect to the Common Stock of the Company (within the meaning of Regulation M under the 1934 Act) other than as contemplated by the provisions of this Agreement, in each case, during any “restricted period” within the meaning of Regulation M under the 1934 Act.

(u) The Company will comply with all of the provisions of any undertakings in the Registration Statement.

(v) The Company will cooperate timely with any reasonable due diligence review conducted by the Manager or its counsel from time to time in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company’s principal offices, at such times as the Manager may reasonably request. If the Manager shall so request of one of the senior corporate officers of the Company specified in Exhibit C by 3:00 p.m. Eastern Time on any business day, the Company shall either (i) make available one or more senior corporate officers of the Company for interview due diligence at 9:00 a.m. Eastern Time on the next following business day or (ii) direct the Manager to cease offers and sales of the Shares until such time as such senior corporate officer or officers of the Company shall be made available for such purposes. Further, the Company shall make available a Senior Vice President

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and counsel of the Company for interview due diligence at 9:00 a.m. Eastern Time on the 15th calendar day of the third month of each fiscal quarter of the Company.

(w) The Company represents and agrees that, unless it obtains the prior consent of the Manager, it has not made and will not make any offer relating to the Shares that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a “free writing prospectus,” as defined in Rule 405, whether or not required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Manager is hereinafter referred to as a “Permitted Free Writing Prospectus.” The Company represents that it has treated or agrees that it will treat each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping.

(x) The Company agrees that it will not claim that the Manager has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

Section 4. Conditions of Manager’s Obligations. The obligations of the Manager hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof and as of each Registration Statement Amendment Date, Company Earnings Report Date, Company Periodic Report Date, Applicable Time and Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) the following additional conditions precedent:

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the 1933 Act or the 1933 Act Regulations or proceedings initiated under Section 8(d) or 8(e) of the 1933 Act and no order directed at any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Manager of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) the Prospectus and all amendments or supplements thereto, or modifications thereof, if any, and the General Disclosure Package shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading, (iv) the Company shall have filed the Prospectus, and any amendments and supplements thereto, with the Commission (including the information required by Rule 430B) in the manner and within the time period required by the 1933 Act and the 1933 Act Regulations, and any post-effective amendment thereto containing the information required by Rule 430B shall have become effective, and (v) all material required to be filed by the Company pursuant to Rule 433(d) shall have been filed with the Commission within the applicable time periods prescribed for such filings under Rule 433.

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(b) In the judgment of the Manager, there shall not have occurred any Material Adverse Effect.

(c) The Company shall cause to be furnished to the Manager, on every date specified in Section 3(n) hereof (except as provided in the last sentence of Section 3(n)), the opinion and negative assurance letter of Ropes & Gray LLP addressed to the Manager, dated as of such date, in form satisfactory to the Manager and its counsel, substantially in the form of Exhibit B-1 and Exhibit B-2 attached hereto.

(d) The Company shall cause to be furnished to the Manager, on every date specified in Section 3(o) hereof (except as provided in the last sentence of Section 3(o)), from PricewaterhouseCoopers LLP letters dated the date of delivery thereof and addressed to the Manager in form and substance satisfactory to the Manager and its counsel, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement.

(e) The Company shall furnish to the Manager, on each date specified in Section 3(m) hereof (except as provided in the last sentence of Section 3(m)), a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of the date of such certificate (the "Certificate Date"), (ii) the Company shall have performed such of its obligations under this Agreement as are to be performed at or before each such Certificate Date, and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 4 have been met.

(f) On the date hereof, the Manager shall have received the opinion of Cleary Gottlieb Steen & Hamilton LLP dated the date hereof and addressed to the Manager in form and substance satisfactory to the Manager. On every date specified in Section 3(n) hereof, the Manager shall have received a negative assurance letter of Cleary Gottlieb Steen & Hamilton LLP, dated as of such date, in form and substance satisfactory to the Manager.

(g) All filings with the Commission required by Rule 424 of the 1933 Act Regulations to have been filed by each Applicable Time or related Settlement Date, as the case may be, shall have been made within the applicable time period prescribed for such filing by Rule 424 (without reliance on Rule 424(b)(8)).

(h) The Settlement Shares shall have been approved for listing on the NYSE, subject to official notice of issuance. The Manager acknowledges that as of the date of this Agreement, 3,500,000 shares of Common Stock have been approved for listing on the NYSE and an application for listing an additional 1,000,000 shares of Common Stock has been submitted to the NYSE.

(i) The Company shall have furnished to the Manager such other documents and certificates as to the accuracy and completeness of any statement in the Registration Statement, the Prospectus and the General Disclosure Package as of each Settlement Date as the Manager may reasonably request.

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(j) The Company shall have paid the required Commission filing fees relating to the Shares within the time period required by Rule 456(b)(1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1933 Act Regulations.

(k) FINRA shall not have raised any objection with respect to the fairness and reasonableness of the terms and arrangements under this Agreement.

(l) No amendment or supplement to the Registration Statement or Prospectus, including documents deemed to be incorporated by reference therein, shall be filed to which the Manager objects in writing.

(m) Since the later of the time of execution of this Agreement and the most recent Applicable Time, there shall not have occurred any downgrading, nor shall any notice or announcement have been given or made of (i) any intended or potential downgrading or (ii) any review or possible change that does not indicate an improvement, in the rating accorded any securities of or guaranteed by the Company by any "nationally recognized statistical rating organization," as that term is defined in Rule 436(g)(2) of the 1933 Act Regulations.

Section 5. Indemnification.

(a) Indemnification of Manager and Forward Purchaser. The Company agrees to indemnify and hold harmless the Manager and the Forward Purchaser, each of their directors, officers, employees and agents, and each person, if any, who controls the Manager or the Forward Purchaser within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 5(d) below) any such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by the Manager), reasonably

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incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with the Manager Information.

(b) Indemnification of Company, Directors and Officers. The Manager and the Forward Purchaser severally and not jointly agree to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by the Manager expressly for use therein. The Company acknowledges that (i) the statements set forth in the fifth sentence of the first paragraph under the caption "Plan of Distribution" in the Prospectus Supplement concerning transactions that stabilize the Common Stock; (ii) the statements set forth in the first sentence of the second paragraph under the caption "Plan of Distribution" in the Prospectus Supplement concerning solicitations of offers to purchase the Shares; and (iii) the Manager's name on the front cover page of the Prospectus Supplement, on the back cover page of the Prospectus and under the caption "Plan of Distribution" in the Prospectus Supplement constitute the only information furnished in writing by or on behalf of the Manager for inclusion in the Registration Statement (or any amendment thereto) or any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) (the "Manager Information").

(c) Actions against Parties; Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 5(a) above, counsel to the indemnified parties shall be selected by the Manager, and, in the case of parties indemnified pursuant to Section 5(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the

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same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 5 or Section 6 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 5(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. Notwithstanding the immediately preceding sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, an indemnifying party shall not be liable for any settlement of the nature contemplated by Section 5(a)(ii) effected without its consent if such indemnifying party (i) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (ii) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

(e) Additional Liability. The obligations of the Company under this Section 5 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to the directors and officers of the Manager and to each person, if any, who controls the Manager within the meaning of the 1933 Act and each broker-dealer affiliate of the Manager; and the obligations of the Manager under this Section 5 shall be in addition to any liability which the Manager may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the 1933 Act.

Section 6. Contribution. If the indemnification provided for in Section 5 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Manager and the Forward Purchaser on the other hand from the offering of the Shares pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Manager and the Forward

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Purchaser on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Forward Purchaser and the Manager on the other hand in connection with the offering of the Shares pursuant to this Agreement shall be deemed to be in the same respective proportions as (i) the Net Proceeds from the offering of the Shares pursuant to this Agreement (before deducting expenses and, for the avoidance of doubt, without including proceeds from the offering of Shares pursuant to the Additional Distribution Agency Agreement) received by the Company (which shall be deemed to include the proceeds that would be received by the Company upon physical settlement of the Confirmation(s) assuming that the aggregate amount payable by the Forward Purchaser under the Confirmation(s) is equal to the aggregate amount of the Net Proceeds realized upon the sale of the Shares) and (ii) the aggregate proceeds received by the Forward Purchaser and the Manager from the sale of the Shares less the aggregate Net Proceeds.

The relative fault of the Company on the one hand and the Forward Purchaser and the Manager on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Forward Purchaser and the Manager and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Manager agree that it would not be just and equitable if contribution pursuant to this Section 6 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 6 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 6, the Manager shall not be required to contribute any amount in excess of the total compensation received by the Manager in connection with the sale of Shares on behalf of the Forward Purchaser.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 6, the person, if any, who controls the Manager within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and the Manager's Affiliates shall have the same rights to contribution as such Manager, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company.

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Section 7. Representations, Warranties and Agreements to Survive Delivery. The respective indemnities, agreements, representations, warranties and other statements of the Company and the Manager, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of the Manager or any controlling person of the Manager, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

Section 8. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if Shares have been sold through the Manager, then Section 3(q) shall remain in full force and effect notwithstanding such termination, (ii) with respect to any pending sale through the Manager, the obligations of the Company, including in respect of compensation of the Manager, shall remain in full force and effect notwithstanding such termination and (iii) the provisions of Section 1, Section 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Manager shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that the provisions of Section 1, 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Section 8(a) or (b) above or otherwise by mutual agreement of the parties or upon settlement of the sale of all the Shares in the aggregate in one or more offerings; provided that any such termination by mutual agreement or pursuant to this clause (c) shall in all cases be deemed to provide that Section 1, Section 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; provided that such termination shall not be effective until the close of business on the date of receipt of such notice by the Manager or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Shares, such sale shall settle in accordance with the provisions of Section 2(i) hereof.

Section 9. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Manager, shall be sufficient in all respects if delivered or sent to Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Bryant Park, New York, NY 10036, Attention: ECM Legal; if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 600 Hale Street, Prides Crossing, MA 01965, Attention: Chief Financial Officer. Each party to this Agreement may change such address for

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notices by sending to the parties to this Agreement written notice of a new address for such purpose.

Section 10. Parties. The Agreement herein set forth has been and is made solely for the benefit of the Manager, the Forward Purchaser and the Company and to the extent provided in Section 5 hereof the controlling persons, directors and officers referred to in such section, and their respective

successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from any of the Manager) shall acquire or have any right under or by virtue of this Agreement.

Section 11. Adjustments For Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

Section 12. Counterparts. This Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument. This Agreement may be delivered by any party by facsimile or other electronic transmission.

Section 13. Time of the Essence. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

Section 14. Waiver of Jury Trial. The Company and the Manager hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to jury trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 15. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS PRINCIPLES OF CONFLICTS OF LAW.

Section 16. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

Section 17. Successors and Assigns. This Agreement shall be binding upon the Manager and the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and any of the Manager's respective businesses and/or assets.

Section 18. Severability. The invalidity or unenforceability of any Section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other Section, paragraph or provision hereof. If any Section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

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Section 19. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof.

[Remainder of this page intentionally left blank]

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Manager and the Company in accordance with its terms.

Very truly yours,

Affiliated Managers Group, Inc.

By: /s/ John Kingston, III
Name: John Kingston, III
Title: Vice Chairman, General Counsel
and Secretary

Accepted as of the date hereof:

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

By: /s/ John R. Erickson
Name: John R. Erickson
Title: Managing Director

Bank of America, N.A.

By: /s/ David Moore

Exhibit A

CONFIRMATION

Separately filed as Exhibit 10.3

Exhibit B-1

FORM OF OPINION OF
ROPES & GRAY LLP

August 8, 2012

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036

Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005

Re: Affiliated Managers Group, Inc.

Ladies and Gentlemen:

We have acted as counsel to Affiliated Managers Group, Inc. (the "Company") in connection with the issuance and sale of shares of its Common Stock, \$.01 par value per share (the "Common Stock") with an aggregate value of up to \$400,000,000. We are furnishing this opinion to you pursuant to Section 4(c) of each of the substantially identical Amended and Restated Distribution Agency Agreements, dated as of August 8, 2012 (the "Distribution Agency Agreements"), between Affiliated Managers Group, Inc., a Delaware corporation (the "Company"), and each of you (the "Managers"). Capitalized terms that are used and not defined in this opinion letter have the meanings given to them in the Distribution Agency Agreements.

In connection with this opinion letter, we have examined the following documents:

(a) a Registration Statement on Form S-3 (File No. 333-168627) filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act") and automatically effective on August 6, 2010, as amended by a Post-Effective Amendment to the Registration Statement on Form S-3 (File No. 333-168627) filed with the Commission on July 26, 2011 (the "Registration Statement");

(b) a prospectus supplement filed with the Commission on August 8, 2012 (the "Prospectus Supplement"), relating to the offering of the Common Stock pursuant to the Distribution Agency Agreements. The prospectus included in the Registration Statement and the Prospectus Supplement are referred to herein as the "Prospectus";

(c) The Distribution Agency Agreements;

(d) the Confirmation dated as of August 8, 2012 between the Company and Deutsche Bank AG, London Branch (the "DB Confirmation") and the Confirmation dated as of August 8, 2012 between the Company and Bank of America, N.A. (the "BAML Confirmation", and together with the DB Confirmation, the "Confirmations").

The Distribution Agency Agreements and the Confirmations are collectively referred to herein as the "Company Agreements."

We have examined such certificates, documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinions set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

The opinions expressed herein are limited to matters governed by the Commonwealth of Massachusetts, the State of New York, the Delaware General Corporation Law, and the federal laws of the United States of America (collectively, the "Covered Laws").

For purposes of our opinion expressed as to the registration of each Adviser Subsidiary under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), we have relied exclusively on a review of the Commission's Investment Adviser Public Disclosure website.

For the purposes of our opinion expressed in paragraph 8, we assume that the Pricing Committee of the Board of Directors will have approved the sale of the shares of Common Stock that are the basis for the issuance of the Settlement Shares (as defined in the Confirmations) and that the Company will receive at

least the par value per share for such issuance.

Based upon and subject to the foregoing, and subject to the additional qualifications set forth below, we are of the opinion that:

1. The Company is a corporation validly existing and in good standing under the laws of the State of Delaware.
2. The Company has corporate power to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into the Company Agreements.
3. The Company has been duly qualified as a foreign corporation to do business and is in good standing with (i) the Secretary of the Commonwealth of Massachusetts, (ii) the Secretary of State of the State of California, (iii) the Secretary of State of the State of Florida and (iv) the Secretary of State of the State of Missouri.
4. The authorized common stock of the Company is as set forth in the Registration Statement under the caption "Description of Common Stock."
5. Each domestic (U.S.) subsidiary that the Company has informed us is a "significant subsidiary" as defined in Rule 1-02(w) of Regulation S-X promulgated by the

Commission is an existing corporation, limited liability company, limited partnership, general partnership or association with transferable shares (commonly known as a "Massachusetts business trust"), as the case may be; and each such subsidiary which is a corporation, limited liability company, limited partnership or Massachusetts business trust is in good standing under the laws of its jurisdiction of organization.

6. The Company has duly authorized, executed and delivered each of the Company Agreements.
7. Subject to the penultimate paragraph hereof, each of the Confirmations constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.
8. The Settlement Shares have been duly authorized and, when issued in accordance with the provisions of the respective Confirmation, will be validly issued, fully paid and non-assessable.
9. The issuance of the Settlement Shares is not subject, on the date hereof, to any preemptive right in the Certificate of Incorporation or the By-laws of the Company or the Delaware General Corporation Law.
10. Under the Covered Laws, no consent, approval, license or exemption by, or order or authorization of, or filing, recording or registration with, any governmental authority is required to be obtained or made by the Company in connection with the authorization, execution and delivery of the Company Agreements, or, as of the date hereof, for the issuance of the Settlement Shares in accordance with the Confirmations, except (i) such as have been obtained or made prior to the date hereof, (ii) such as may be required under state securities or "blue sky" laws (as to which we express no opinion).
11. The Registration Statement has become effective upon filing under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) under the 1933 Act has been made within the time period required by Rule 424(b); and, to our knowledge (i) no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and (ii) no proceedings for that purpose have been instituted or are pending or threatened by the Commission under the 1933 Act.
12. The execution, delivery and performance by the Company of the Company Agreements and, as of the date hereof, the issuance and sale of the Settlement Shares (i) will not violate the Certificate of Incorporation or By-Laws of the Company, (ii) will not violate any provision of any Covered Laws, except that we express no opinion as to federal or state securities or "blue sky" laws, including the antifraud provisions thereof, (iii) will not result in a breach or violation of, or constitute a default under, any contract or agreement or any court order, judgment or decree listed on Exhibit A to this opinion.
13. Each subsidiary of the Company identified on Exhibit B to this opinion ("Adviser Subsidiary") is registered as an investment adviser under the Advisers Act, and no Adviser

Subsidiary is required to be registered, licensed or qualified as an investment adviser under the laws of the Commonwealth of Massachusetts or the State of New York. The Company is not required to register as an investment adviser within the meaning of the Advisers Act and the rules and regulations of the Commission promulgated thereunder.

14. The Company is not required to be registered as an "investment company" under the Investment Company Act of 1940, as amended (the "Investment Company Act").
15. The consummation of the transactions contemplated by the Company Agreements will not result in an "assignment," within the meaning of the Advisers Act or the Investment Company Act, of any investment advisory agreement to which the Company or any Adviser Subsidiary is a party.

Our opinion that each of the Confirmations constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, is subject to (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar laws affecting the rights and remedies of creditors generally and (b) general principles of equity and (c) the qualification that, for the provisions contained in each of the Confirmations pertaining to the calculation of payment obligations upon early termination of the transactions subject to the respective Confirmation to be enforceable, the actual damages incurred by the party to whom payment would be owed (determined in accordance with the Confirmations) must be difficult to ascertain and the payment to such party (as so determined) must represent a reasonable estimate of such actual damages or, on the other hand, if such actual damages are easily ascertainable and such payment (as so determined) is unreasonably and grossly disproportionate to such actual damages, or is unconscionably excessive, a court will award such party no more than such actual damages. In addition, we express no opinion (a) as to the extent to which broadly worded

waivers or provisions providing for conclusive presumptions or determinations, submission to exclusive jurisdiction, waiver of or consent to service of process and venue, or waiver of offset or defenses will be enforced and (b) as to the application to each of the Confirmations or any transaction under each of the Confirmations or the effect on the legality, validity, binding nature, or enforceability of each of the Confirmations or any transaction under each of the Confirmations of any provision of any Covered Law regulating gambling, betting, gaming, or the existence or operation of so-called "bucket shops".

This opinion letter is being furnished only to you as Managers and is solely for your benefit in connection with the issuance and sale of the Securities. Except as otherwise expressly consented to by us in writing, this opinion letter may not be relied upon for any other purpose or by any other person.

Very truly yours,

Ropes & Gray LLP

Exhibit B-2

FORM OF NEGATIVE ASSURANCE LETTER OF
ROPES & GRAY LLP

August 8, 2012

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036

Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005

Re: Affiliated Managers Group, Inc.

Ladies and Gentlemen:

We refer to each of the substantially identical Amended and Restated Distribution Agency Agreements dated August 8, 2012, by and among Affiliated Managers Group, Inc., a Delaware corporation (the "Company") and each of you (the "Distribution Agency Agreements"). We have acted as counsel to the Company in connection with the transactions described therein. Terms defined in the Distribution Agency Agreements and not otherwise defined herein are used herein with the meanings so defined.

As counsel to the Company, we have reviewed the Registration Statement and the Prospectus and the documents incorporated by reference therein and participated in discussions with officers and representatives of the Company, representatives of the independent registered public accounting firm for the Company and your representatives and counsel at which discussions the contents of these documents were discussed.

The purpose of our engagement was not to establish or confirm factual matters set forth in the Registration Statement or the General Disclosure Package or the documents incorporated by reference therein, and we have not undertaken any obligation to verify independently any of the factual matters set forth in those documents. Moreover, many of the determinations required to be made in the preparation of such documents involve judgments that are primarily of a non-legal nature.

Subject to the foregoing and on the basis of information that we have gained in the course of our representation of the Company and our participation in the discussions referred to above, we confirm to you that the Registration Statement, as of the most recent effective date established

under Rule 430B, and the Prospectus, as of its date, complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and that the documents incorporated by reference into the Prospectus, when they were filed with the Commission, complied as to form in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations. In addition, based on the information and participation described above, no facts that have come to our attention have caused us to believe that (i) the Registration Statement, as of the most recent effective date established under Rule 430B, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading or (ii) the General Disclosure Package, as of the time at which this letter is delivered to you, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. We do not, however, assume any responsibility for the accuracy, completeness or fairness of the statements made or the information contained in the Registration Statement or the General Disclosure Package or the documents incorporated by reference therein, except for those statements in the Prospectus under the caption "Description of Common Stock" insofar as they represent descriptions or conclusions of law, descriptions of securities or a summary of documents referred to therein, which fairly summarize in all material respects such descriptions, conclusions or documents.

This letter does not express any view with respect to the financial statements, schedules and other financial or accounting data included or incorporated by reference in the Registration Statement or the General Disclosure Package.

This letter is furnished by us to each of you solely for your benefit in your capacity as a Manager to assist you in establishing defenses under applicable securities laws and may not be relied on for any other purpose or by any person other than you.

Very truly yours,



DATE: August 8, 2012

TO: Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965

ATTENTION: Jay C. Horgen

FACSIMILE: (617) 747-3380

FROM: Bank of America, N.A.
c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036
Attn: John Servidio

TELEPHONE: (646) 855-2527

FACSIMILE: (704) 208-2869

SUBJECT: Registered Forward Transactions

REFERENCE NUMBER(S): As provided in the Pricing Supplement for the particular Transaction

The purpose of this letter agreement (this “**Confirmation**”) is to confirm the terms and conditions of one or more transactions to be entered into between **Bank of America, N.A. (“Dealer”)** and **Affiliated Managers Group, Inc. (“Counterparty”)** on the Trade Date(s) referenced below (each, a “**Transaction**”). This Confirmation constitutes a “Confirmation” as referred to in the ISDA Master Agreement specified below. This Confirmation constitutes the entire agreement and understanding of the parties with respect to the subject matter and terms of the Transactions and supersedes all prior or contemporaneous written and oral communications with respect thereto.

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the “**Equity Definitions**”), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Equity Definitions and this Confirmation, this Confirmation shall govern.

Each party is hereby advised, and each such party acknowledges, that the other party has engaged in, or refrained from engaging in, substantial financial transactions and has taken other material actions in reliance upon the parties’ entry into the Transactions to which this Confirmation relates on the terms and conditions set forth below.

This Confirmation and the pricing supplement delivered hereunder for a particular Transaction evidence a complete and binding agreement between Dealer and Counterparty as to the terms of each Transaction to which this Confirmation relates. This Confirmation, together with all other Confirmations of Equity Contracts (as defined in “Netting and Set-off” below), shall supplement, form a part of, and be subject to an agreement in the form of the ISDA 2002 Master Agreement (the “**Agreement**”) as if Dealer and Counterparty had executed an agreement in such form (without any Schedule except for the election of United States dollars (“**USD**”) as the Termination Currency and such other elections set forth in this Confirmation). In the event of any inconsistency between the provisions of the Agreement and this Confirmation, this Confirmation will prevail for the purpose of the Transactions to which this Confirmation relates. The parties hereby agree that, other than the Transactions to which this Confirmation relates and any other Equity Contract, no other Transaction shall be governed by the Agreement.

The terms of each Transaction to which this Confirmation relates are as follows:

General Terms:

Trade Date: For the first Transaction governed hereby, the date hereof. For each subsequent Transaction governed hereby, the first Scheduled Trading Day of each calendar quarter commencing with October 1, 2012, and ending with the first Scheduled Trading Day in July 2013, unless prior to the Effective Date for such Transaction, either party notifies the other that there shall not be a Transaction for that calendar quarter.

Effective Date: The first day occurring on or after the applicable Trade Date on which Shares are sold pursuant to the Amended and Restated Distribution Agency Agreement dated as of August 8, 2012 between Counterparty and Merrill Lynch, Pierce, Fenner & Smith Incorporated (the “**Distribution Agreement**”)

Seller: Counterparty

Buyer: Dealer

Shares: The common stock of Counterparty, par value USD 0.01 per share (Ticker Symbol: “AMG”)

Number of Shares: For each Transaction, the aggregate number of Shares sold pursuant to the Distribution Agreement

during the period from and including the applicable Trade Date through and including the applicable Hedge Completion Date; *provided, however*, that on each Settlement Date, the Number of Shares for such Transaction shall be reduced by the number of Settlement Shares to be settled on such date.

Hedge Completion Date:	For each Transaction, the earliest of (i) the date specified in writing as the Hedge Completion Date for such Transaction by the Counterparty, (ii) any Settlement Date for such Transaction, and (iii) the last Scheduled Trading Day of the calendar quarter in which the Trade Date for such Transaction occurs; <i>provided</i> that Counterparty shall be obligated to specify as the Hedge Completion Date the first date after the Effective Date on which Shares are sold pursuant to the Additional Distribution Agency Agreement (as defined in the Distribution Agreement). Promptly after each Hedge Completion Date, Dealer will furnish Counterparty with a pricing supplement (the “ Pricing Supplement ”) substantially in the form of Annex A hereto specifying for the relevant Transaction the Number of Shares as of the Hedge Completion Date (the “ Initial Number of Shares ”), the Initial Forward Price and the Final Date, all determined in accordance with the terms hereof.
Initial Forward Price:	98.50% of the volume weighted average price at which the Shares are sold pursuant to the Distribution Agreement during the period from and including the applicable Trade Date through and including the applicable Hedge Completion Date.
Forward Price:	(a) On the Hedge Completion Date, the Initial Forward Price; and (b) on each calendar day thereafter, (i) the Forward Price as of the immediately preceding calendar day <i>multiplied by</i> (ii) the sum of 1 and the Daily Rate for such day.
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Daily Rate:	For any day, (i) (a) USD-Federal Funds Rate for such day <i>minus</i> (b) the Spread <i>divided by</i> (ii) 365.
USD-Federal Funds Rate:	For any day, the rate set forth for such day opposite the caption “Federal funds”, as such rate is displayed on the page “FedsOpen <Index><GO>” on the BLOOMBERG Professional Service, or any successor page; <i>provided</i> that if no rate appears for a particular day on such page, the rate for the immediately preceding day for which a rate does so appear shall be used for such day.
Spread:	0.95%
Prepayment:	Not Applicable
Variable Obligation:	Not Applicable
Exchange:	The New York Stock Exchange
Related Exchange(s):	All Exchanges
Clearance System:	The Depository Trust Company
Market Disruption Event:	Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words “during the one hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be,” in clause (ii) thereof.
Early Closure:	Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term “Scheduled Closing Time” in the fourth line thereof.
Settlement:	
Settlement Currency:	USD (all amounts shall be converted to the Settlement Currency in good faith and in a commercially reasonable manner by the Calculation Agent)
Settlement Date:	Any Scheduled Trading Day following the first day occurring on or after the applicable Trade Date on which Shares are sold pursuant to the Distribution Agreement and up to and including the applicable Final Date that is either: (a) designated by Counterparty as a “ Settlement Date ” by a written notice (a “ Settlement Notice ”) delivered to Dealer no less than (i) one Scheduled Trading Day prior to such Settlement Date and five Scheduled Trading Days prior to such Final Date, if Physical Settlement applies, and (ii) five Scheduled Trading Days prior to such Settlement Date, which may be such Final Date, if Cash Settlement or Net Stock Settlement applies; <i>provided</i> that if Cash Settlement or Net Stock Settlement applies, any Settlement Date, including a Settlement Date on the scheduled Final Date, shall be deferred until the date on which Dealer is able to completely unwind its hedge with respect to the portion of the Number of Shares to be settled if Dealer is unable to completely unwind its hedge with respect to the portion of the Number of Shares to be settled during the Unwind Period due to the restrictions of Rule 10b-18 (“ Rule 10b-18 ”) under the Securities Exchange Act of 1934, as amended (the “ Exchange Act ”) agreed to hereunder, the

existence of any Suspension Day or Disrupted Day or the lack of sufficient liquidity in the Shares during the Unwind Period (as determined by the Calculation Agent); *provided further* that if Dealer shall fully unwind its hedge with respect to the portion of the Number of Shares to be settled during an Unwind Period by a date that is more than three Scheduled Trading Days prior to a Settlement Date specified above, Dealer may, by written notice to Counterparty, specify any Scheduled Trading Day prior to such original Settlement Date as the Settlement Date; or

(b) designated by Dealer as a Settlement Date pursuant to the “Acceleration Events” provisions below;

provided that the applicable Final Date will be a Settlement Date if on such date the applicable Number of Shares for which a Settlement Date has not already been designated is greater than zero; *provided further* that if any Settlement Date specified above is not an Exchange Business Day, the Settlement Date shall instead be the next Exchange Business Day; and *provided further* that, following the occurrence of at least three consecutive Suspension Days during an Unwind Period and while such Suspension Days are continuing, Dealer may designate any subsequent Exchange Business Day as the Settlement Date with respect to the portion of the Settlement Shares, if any, for which Dealer has determined an Unwind Purchase Price during such Unwind Period, it being understood that the Unwind Period with respect to the remainder of such Settlement Shares shall recommence on the next succeeding Exchange Business Day that is not a Suspension Day.

Final Date: For each Transaction, the first anniversary of the applicable Hedge Completion Date (or if such day is not a Scheduled Trading Day, the next following Scheduled Trading Day)

Early Settlement Fee: If a Settlement Date for a Transaction occurs on or prior to the date that is two months after the applicable Hedge Completion Date (an “**Early Unwind Date**”), Counterparty shall pay to Dealer the Early Settlement Fee for such Early Unwind Date; *provided* that no Early Settlement Fee shall be payable if (i) the USD-Federal Funds Rate is less than the Spread on such Early Unwind Date or (ii) such Early Unwind Date occurs as a result of the designation by Dealer of a Settlement Date resulting from an event or events outside Counterparty’s control. “**Early Settlement Fee**” means, for any Early Unwind Date, an amount of cash equal to (a) the number of Settlement Shares for such Settlement Date *multiplied by* (b) the applicable Initial Forward Price *multiplied by* (c) 0.50% *multiplied by* (d) the number of calendar days in the period from but excluding such Early Unwind Date to and including the applicable Early Settlement Fee Date *divided by* (e) 365.

Settlement Shares: (a) With respect to any Settlement Date other than the Final Date, the number of Shares designated as such by Counterparty in the relevant Settlement Notice or designated pursuant to the “Acceleration Events” provisions below, as applicable; *provided* that the Settlement Shares so designated shall (i) not exceed the applicable Number of Shares at that time and (ii) be at least equal to the lesser of 100,000 and such Number of Shares at that time; and
(b) with respect to the Settlement Date on the Final Date, a number of Shares equal to the applicable Number of Shares at that time;

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in each case with the applicable Number of Shares determined taking into account pending Settlement Shares for the relevant Transaction.

Settlement Method Election: Physical Settlement, Cash Settlement, or Net Stock Settlement, at the election of Counterparty, in its sole discretion, as set forth in a Settlement Notice; *provided* that if Counterparty elects Cash Settlement or Net Stock Settlement, it shall be deemed to have repeated the representations contained under “Securities Laws Representations and Agreements” below; *provided further* that if no election is made by Counterparty, Physical Settlement shall apply. The parties hereto acknowledge that Counterparty cannot be obligated to settle any Transaction by cash payment unless Counterparty elects Cash Settlement; *provided, however*, that the foregoing shall not apply to the payment of an Early Settlement Fee if the Early Unwind Date occurs as the result of the designation by Counterparty of a Settlement Date.

Physical Settlement: If Physical Settlement is applicable, then Counterparty shall deliver to Dealer through the Clearance System a number of Shares equal to the Settlement Shares for such Settlement Date, and Dealer shall pay to Counterparty, by wire transfer of immediately available funds to an account designated by Counterparty, an amount equal to the Physical Settlement Amount for such Settlement Date.

Physical Settlement Amount: For any Settlement Date for which Physical Settlement is applicable, an amount equal to the product of (a) the applicable Forward Price in effect on the relevant Settlement Date *multiplied by* (b) the Settlement Shares for such Settlement Date.

Cash Settlement: On any Settlement Date in respect of which Cash Settlement applies, if the Cash Settlement Amount is a positive number, Dealer will pay the Cash Settlement Amount to Counterparty. If the Cash

Settlement Amount is a negative number, Counterparty will pay the absolute value of the Cash Settlement Amount to Dealer. Such amounts shall be paid on such Settlement Date.

Cash Settlement Amount: An amount determined by the Calculation Agent equal to: (i)(A) the applicable Forward Price as of the first day of the applicable Unwind Period *minus* (B) the weighted average price (the “**Unwind Purchase Price**”) at which Dealer purchases Shares during the Unwind Period to unwind its hedge with respect to the portion of the applicable Number of Shares to be settled during the Unwind Period (including, for the avoidance of doubt, purchases on any Suspension Day or Disrupted Day in part), taking into account Shares anticipated to be delivered or received if Net Stock Settlement applies, and the restrictions of Rule 10b-18 under the Exchange Act agreed to hereunder, *plus* USD 0.02, *multiplied by* (ii) the Settlement Shares.

Net Stock Settlement: On any Settlement Date in respect of which Net Stock Settlement applies, if the Cash Settlement Amount is a (i) positive number, Dealer shall deliver a number of Shares to Counterparty equal to the Net Stock Settlement Shares, or (ii) negative number, Counterparty shall deliver a number of Shares to Dealer equal to the Net Stock Settlement Shares; *provided* that if Dealer determines in its good faith judgment that it would be required to deliver Net Stock Settlement Shares to Counterparty, Dealer may elect to deliver a portion of such Net Stock Settlement Shares on one or more dates prior to the applicable Settlement Date.

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Net Stock Settlement Shares: With respect to a Settlement Date, the absolute value of the Cash Settlement Amount *divided by* the applicable Unwind Purchase Price, with the number of Shares rounded up in the event such calculation results in a fractional number.

Unwind Period: For each Transaction, the period from and including the first Exchange Business Day following the date Counterparty elects Cash Settlement or Net Stock Settlement in respect of a Settlement Date for such Transaction through the third Scheduled Trading Day preceding such Settlement Date (as such date may be changed by Dealer as described in the first proviso in clause (a) of the definition of Settlement Date above and *provided* that Dealer may truncate any Unwind Period pending (and reduce the Settlement Shares for such Unwind Period to the portion thereof, if any, for which Dealer has determined an Unwind Purchase Price) at the time Dealer designates a Settlement Date pursuant to the “Acceleration Events” provisions below, effective upon such designation).

Failure to Deliver: Applicable

Suspension Day: Any day on which Dealer determines based on the advice of outside counsel of national standing that Cash Settlement or Net Stock Settlement may violate applicable securities laws or cause Dealer to not be in compliance with applicable legal, regulatory or self-regulatory requirements, or with related policies and procedures applicable to Dealer. Dealer shall promptly notify Counterparty if it receives such advice from its counsel.

Share Cap: Except as provided under “Private Placement and Registration Procedures” below, in no event will Counterparty be required to deliver to Dealer on any Settlement Date, whether pursuant to Physical Settlement, Net Stock Settlement, any Private Placement Settlement or any Registration Settlement, a number of Shares in excess of (i) the applicable Initial Number of Shares *minus* (ii) the aggregate number of Shares delivered by Counterparty to Dealer under the applicable Transaction prior to such Settlement Date.

Adjustments:

Method of Adjustment: Calculation Agent Adjustment

Extraordinary Events:

New Shares: In the definition of New Shares in Section 12.1(i) of the Equity Definitions, the text in (i) shall be deleted in its entirety and replaced with “publicly quoted, traded or listed on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors)”.

Consequences of Merger Events:

(a) Share-for-Share: Cancellation and Payment

(b) Share-for-Other: Cancellation and Payment

(c) Share-for-Combined: Cancellation and Payment

Tender Offer: Applicable

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Consequences of Tender Offers:

- (a) Share-for-Share: Cancellation and Payment
- (b) Share-for-Other: Cancellation and Payment
- (c) Share-for-Combined: Cancellation and Payment

Composition of Combined Consideration: Not Applicable

Nationalization, Insolvency or Delisting: Cancellation and Payment

In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Determining Party: For all applicable Extraordinary Events, Dealer; *provided, however*, that all calculations, adjustments, specifications, choices and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.

Additional Disruption Events:

Change in Law: Applicable; *provided* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i) replacing the phrase “the interpretation” in the third line thereof with the phrase “or public announcement of the formal or informal interpretation” and (ii) immediately following the word “Transaction” in clause (X) thereof, adding the phrase “in the manner contemplated by the Hedging Party on the Trade Date.” For the avoidance of doubt, “a materially increased cost in performing its obligations under such Transaction” includes any materially increased cost to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Hedge Positions.

Increased Cost of Stock Borrow: Applicable; *provided* that Section 12.9(b)(v) of the Equity Definitions is hereby amended by (A) adding the word “or” immediately before subsection “(B)” and deleting the comma at the end of subsection (A); and (B)(1) deleting subsection (C) in its entirety, (2) deleting the word “or” immediately preceding subsection (C) and (3) replacing in the penultimate sentence the words “either party” with “the Hedging Party” and (4) deleting clause (X) in the final sentence.

Initial Stock Loan Rate: 45 basis points per annum

Hedging Party: Dealer

Insolvency Filing: Notwithstanding anything to the contrary herein, in the Agreement or in the Equity Definitions, upon any Insolvency Filing or other proceeding under the U.S. Bankruptcy Code in respect of the Issuer, each Transaction shall automatically terminate on the date thereof without further liability of either

party to this Confirmation to the other party (except for any liability in respect of any breach of representation or covenant by a party under this Confirmation prior to the date of such Insolvency Filing or other proceeding), it being understood that each Transaction is a contract for the issuance of Shares by the Issuer.

Determining Party: For all applicable Additional Disruption Events, Dealer; *provided, however*, that all calculations, adjustments, specifications, choices and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.

Acknowledgments:

Non-Reliance: Applicable

Agreements and Acknowledgments Regarding Hedging Activities: Applicable

Additional Acknowledgments: Applicable

Transfer: Notwithstanding anything to the contrary herein or in the Agreement, Dealer may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of Dealer under each Transaction, in whole or in part, to an affiliate of Dealer, or any entity sponsored or organized by, or

on behalf of or for the benefit of, Dealer without the consent of Counterparty; *provided* that either (A) any such assignment, transfer or set over does not affect Dealer's obligations hereunder, or (B) (i) the long-term, unsecured and unsubordinated credit rating ("**Credit Rating**") of the transferee or assignee (or any guarantor of its obligations under the transferred Transactions) is equal to or greater than the Credit Rating of Dealer, as specified by either Standard & Poor's Ratings Services or Moody's Investors Service, Inc. (or their respective successors), at the time of such assignment, transfer or set over, and (ii) such assignment, transfer or set over is made in connection with the transfer of all or substantially all similar transactions to which Dealer is a party resulting from the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and rules and regulations thereunder. No later than promptly following any such assignment, transfer or set over, Dealer shall notify Counterparty as to whether the transfer, assignment or set over is pursuant to subclause (A) or subclause (B) above. In the event of any transfer or assignment of any rights, title and interest, powers, privileges and remedies of Dealer under any Transaction, the transferee or assignee shall assume and enter into all of the transferor's covenants and representations under Sections 3(e), 3(f), 4(a)(i) and 4(a)(iii) of the Agreement or enter into new covenants and representations that are agreed by the other party under the Agreement, and the identity of the transferee or assignee shall be entered on the books and records maintained by each party or its respective agents.

Calculation Agent:

Dealer. All calculations and determinations by the Calculation Agent shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.

Account Details:

- (a) Account for delivery of Shares to Dealer: To be furnished
- (b) Account for payments to Counterparty: To be furnished
- (c) Account for payments to Dealer: Bank of America
New York, NY
SWIFT: BOFAUS3N
Bank Routing: 026-009-593
Account Name: Bank of America
Account No.: 0012334-61892

Offices:

The Office of Counterparty for each Transaction is: Inapplicable, Counterparty is not a Multibranch Party.

The Office of Dealer for each Transaction is: New York

Bank of America, N.A.
c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036
Attention: John Servidio
Telephone: (646) 855-2527
Facsimile: (704) 208-2869

Notices: For purposes of this Confirmation:

- (a) Address for notices or communications to Counterparty:

Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965
Telephone: (617) 747-3300
Facsimile: (617) 747-3380
Attention: Jay C. Horgen

- (b) Address for notices or communications to Dealer:

Bank of America, N.A.
c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036
Attention: John Servidio

Telephone: (646) 855-2527
Facsimile: (704) 208-2869

Effectiveness; Distribution Agreement; Interpretive Letter.

Conditions to Effectiveness. Each Transaction shall be effective if and only if Shares are sold on or after the applicable Trade Date and on or prior to the applicable Hedge Completion Date pursuant to the Distribution Agreement. If the Distribution Agreement is terminated prior to any such sale of Shares thereunder, the parties shall have no further obligations in connection with the relevant Transaction, other than in respect of breaches of representations or covenants on or prior to such date.

Distribution Agreement Representations, Warranties and Covenants. On each Trade Date and on each date on which Dealer or its affiliates delivers a prospectus in connection with a sale to hedge a Transaction, Counterparty repeats and reaffirms as of such date all of the representations and warranties contained in the Distribution Agreement. Counterparty hereby agrees to comply with its covenants contained in the Distribution Agreement as if such covenants were made in favor of Dealer.

Interpretive Letter. Counterparty agrees and acknowledges that each Transaction is being entered into in accordance with the October 9, 2003 interpretive letter from the staff of the Securities and Exchange Commission to Goldman, Sachs & Co. (the “**Interpretive Letter**”) and agrees to take all actions, and to omit to take any actions, reasonably requested by Dealer for each Transaction to comply with the Interpretive Letter. Without limiting the foregoing, Counterparty agrees that neither it nor any “affiliated purchaser” (as defined in Regulation M (“**Regulation M**”) promulgated under the Exchange Act) will, directly or indirectly, bid for, purchase or attempt to induce any person to bid for or purchase, the Shares or securities that are convertible into, or exchangeable or exercisable for, Shares during any “restricted period” as such term is defined in Regulation M. In addition, Counterparty represents that it is eligible to conduct a primary offering of Shares on Form S-3, the offering contemplated by the Distribution Agreement complies with Rule 415 under the Securities Act of 1933, as amended (the “**Securities Act**”), and the Shares are “actively traded” as defined in Rule 101(c)(1) of Regulation M.

Agreements and Acknowledgments Regarding Shares:

- (i) Counterparty agrees and acknowledges that, in respect of any Shares delivered to Dealer hereunder, such Shares shall be newly issued (unless mutually agreed otherwise by the parties) and upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance and not subject to any preemptive or similar rights and shall, upon such issuance, be accepted for listing or quotation on the Exchange.
- (ii) Counterparty agrees and acknowledges that Dealer will hedge its exposure to each Transaction by selling Shares borrowed from third party securities lenders or other Shares pursuant to a registration statement, and that, pursuant to the terms of the Interpretive Letter, the Shares (up to the Initial Number of Shares) delivered, pledged or loaned by Counterparty to Dealer in connection with each Transaction may be used by Dealer to return to securities lenders without further registration under the Securities Act. Accordingly, Counterparty agrees that the Shares that it delivers, pledges or loans to Dealer on or prior to the final Settlement Date will not bear a restrictive legend and that such Shares will be deposited in, and the delivery thereof shall be effected through the facilities of, the Clearance System.
- (iii) Counterparty has reserved and will keep available at all times, free from preemptive or similar rights and free from any lien, charge, claim or other encumbrance, authorized but unissued Shares at least equal to the Number of Shares for all Transactions, solely for the purpose of settlement under the Transactions.
- (iv) Unless the provisions set forth below under “Private Placement and Registration Procedures” are applicable, Dealer agrees to use any Shares delivered by Counterparty hereunder on any Settlement Date to return to securities lenders to close out open securities loans with respect to the Shares.
- (v) In connection with bids and purchases of Shares in connection with any Cash Settlement or Net Stock Settlement of a Transaction, Dealer shall use its good faith efforts to comply, or cause compliance, with the provisions of Rule 10b-18 under the Exchange Act, taking into account any purchases under other Equity Contracts, as if such provisions were applicable to such purchases.

Securities Laws Representations and Agreements:

- (i) Counterparty represents to Dealer on each Trade Date and on any date that Counterparty notifies Dealer that Cash Settlement, Net Stock Settlement or Alternative Settlement under “Accounting Standards Codification (‘ASC’) 815-40; Alternative Settlement” below applies to a Transaction, that (a) each of its filings under the Securities Act, the Exchange Act or other applicable securities laws that are required to be filed have been filed and that, as of the respective dates thereof and as of the date of this representation, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) it has not and will not directly or indirectly violate any applicable law (including, without limitation, the Securities Act and the Exchange Act) in connection with a Transaction. In addition to any other requirement set forth herein, Counterparty agrees not to designate any Settlement Date or elect Alternative Settlement under “Accounting Standards Codification (‘ASC’) 815-40; Alternative Settlement” below if settlement in respect of such date would result in a violation of any applicable federal or state law or regulation, including the U.S. federal securities laws.
- (ii) It is the intent of Dealer and Counterparty that following any election of Cash Settlement or Net Stock Settlement by Counterparty for a Transaction, the purchase of Shares by Dealer during the related Unwind Period comply with the requirements of Rule 10b5-1(c)(1)(i)(B) of the Exchange Act and that this Confirmation shall be interpreted to comply with the requirements of Rule 10b5-1(c).

Counterparty acknowledges that (a) during any Unwind Period Counterparty shall not have, and shall not attempt to exercise, any influence over how, when or whether to effect purchases of Shares by Dealer (or its agent or affiliate) in connection with this Confirmation and (b) Counterparty is entering into the Agreement and this Confirmation in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act.

Counterparty hereby agrees with Dealer that during any Unwind Period Counterparty shall not communicate, directly or indirectly, any Material Non-Public Information (as defined herein) to any Equity Derivatives Group Personnel (as defined below). For purposes of each Transaction, “**Material Non-Public Information**” means information relating to Counterparty or the Shares that (x) has not been widely disseminated by wire service, in one or more newspapers of general circulation, by communication from Counterparty to its shareholders or in a press release, or contained in a public filing made by Counterparty with the Securities and Exchange Commission and (y) a reasonable investor might consider to be of importance in making an investment decision to buy, sell or hold Shares. For the avoidance of doubt and solely by way of illustration, information should be presumed “material” if it relates to such matters as dividend increases or decreases, earnings estimates, changes in previously released earnings estimates, significant expansion or curtailment of operations, a significant increase or decline of orders, significant merger or acquisition proposals or agreements, significant new products or discoveries, extraordinary borrowing, major litigation, liquidity problems, extraordinary management developments, purchase or sale of substantial assets, or other similar information. For purposes of each Transaction, “**Equity Derivatives Group Personnel**” means any employee of Dealer or its affiliates who effects purchases or sales of Shares in connection with this Agreement.

- (iii) Counterparty shall, at least one day prior to the first day of any Unwind Period, notify Dealer of the total number of Shares purchased in Rule 10b-18 purchases of blocks pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Counterparty or any of its affiliated purchasers during each of the four calendar weeks preceding the first day of the Unwind Period and during the calendar week in which the first day of the Unwind Period occurs (“Rule 10b-18 purchase”, “blocks” and “affiliated purchaser” each being used as defined in Rule 10b-18).
- (iv) During any Unwind Period, Counterparty shall (a) notify Dealer prior to the opening of trading in the Shares on any day on which Counterparty makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any merger, acquisition, or similar transaction involving a recapitalization relating to Counterparty (other than any such transaction in which the consideration consists solely of cash and there is no valuation period), (b) promptly notify Dealer following any such

announcement that such announcement has been made, and (c) promptly deliver to Dealer following the making of any such announcement information indicating (1) Counterparty’s average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months preceding the date of the announcement of such transaction and (2) Counterparty’s block purchases (as defined in Rule 10b-18) effected pursuant to paragraph (b)(4) of Rule 10b-18 during the three full calendar months preceding the date of the announcement of such transaction. In addition, Counterparty shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders.

- (v) Neither Counterparty nor any of its affiliates shall take or refrain from taking any action (including, without limitation, any direct purchases by Counterparty or any of its affiliates, or any purchases by a party to a derivative transaction with Counterparty or any of its affiliates), either under this Confirmation, under an agreement with another party or otherwise, that might cause any purchases of Shares by Dealer or any of its affiliates in connection with any Cash Settlement or Net Stock Settlement of a Transaction not to meet the requirements of the safe harbor provided by Rule 10b-18 determined as if all such foregoing purchases were made by Counterparty.
- (vi) Counterparty will not engage in any “distribution” (as defined in Regulation M) that would cause a “restricted period” (as defined in Regulation M) to occur during any Unwind Period.

Miscellaneous:

Acceleration Events.

- (i) **Stock Borrow Event.** If in Dealer’s reasonable judgment, (a) Dealer is not able hedge its exposure under a Transaction because insufficient Shares are made available for borrowing by securities lenders or (b) Dealer would incur a cost to borrow (or to maintain a borrow of) sufficient Shares to hedge its exposure under a Transaction that is equal to or greater than 200 basis points per annum per any Share (each of (a) and (b), a “**Stock Borrow Event**”), then Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least two Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date, which shall not exceed the number of Shares as to which the relevant Stock Borrow Event relates.
- (ii) **Dividends.** If on any day after a Trade Date, Counterparty declares a distribution, issue or dividend to existing holders of the Shares of (a) any cash dividends in excess of USD 0.00 per Share or (b) share capital or other securities of another issuer acquired or owned (directly or indirectly) by Counterparty as a result of a spin-off or similar transaction or (c) any other type of securities (other than Shares), rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price, as determined by Dealer, then for each affected Transaction Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least three Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date. Counterparty agrees that it will publicly announce any such distribution, issue or dividend at least 5 Scheduled Trading Days before the record date therefor.
- (iii) **Stock Price Event.** If at any time after a Trade Date the traded price per Share on the Exchange is less than or equal to 35% of the applicable Initial Forward Price, then for each affected Transaction Dealer shall be entitled at any time thereafter to designate one or more Scheduled Trading Days prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least ten Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date.
- (iv) **Board Approval of Merger Event.** If on any day after a Trade Date, the board of directors of Counterparty votes to approve any action that, if consummated, would constitute a Merger Event, then Counterparty shall notify Dealer of such occurrence within one Scheduled Trading Day after such

occurrence and for each affected Transaction Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least twenty Scheduled Trading Days' notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date.

- (v) **ISDA Termination.** In lieu of (a) designating an Early Termination Date as the result of an Event of Default or Termination Event, (b) terminating a Transaction and determining a Cancellation Amount as the result of an Additional Disruption Event, or (c) terminating a Transaction and determining an amount payable in connection with an Extraordinary Event to which Cancellation and Payment would otherwise be applicable, Dealer shall be entitled to designate for each affected Transaction any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction with respect to the applicable Number of Shares as the Settlement Shares.
- (vi) **Termination Settlement.** Notwithstanding anything to the contrary herein, in the Agreement or in the Equity Definitions, if a Settlement Date is designated by Dealer as the result of one of the foregoing sub-paragraphs (i) through (v), Physical Settlement shall apply to the relevant Settlement Shares.

Private Placement and Registration Procedures. If Counterparty notifies Dealer that it is unable to comply with the provisions of sub-paragraph (ii) of "Agreements and Acknowledgments Regarding Shares" above because of a change in law or a change in the policy of the Securities and Exchange Commission or its staff, or Dealer notifies Counterparty that in its reasonable opinion any Shares to be delivered to Dealer by Counterparty may not be freely returned by Dealer to securities lenders as described under such sub-paragraph (ii), or otherwise constitute "restricted securities" as defined in Rule 144 under the Securities Act (the date such notification is effective being the "**Determination Date**"), then Counterparty may elect to effect the delivery of any such Shares (the "**Restricted Shares**") pursuant to either clause (i) or (ii) below, unless waived by Dealer, on the later of (A)(1) if Private Placement Settlement is applicable, the tenth Scheduled Trading Day following the Determination Date or (2) if Registration Settlement is applicable, the thirtieth calendar day following the Determination Date (or if such day is not a Clearance System Business Day, the next Clearance System Business Day), (B) the date such delivery would otherwise be due pursuant to the terms of this Confirmation and (C) the Clearance System Business Day following notice by Dealer to Counterparty of the number of Shares to be delivered pursuant to these "Private Placement and Registration Procedures"; *provided* that if Counterparty does not so elect within three Scheduled Trading Days of the Determination Date, Counterparty shall be deemed to have elected clause (i) below.

- (i) If Counterparty is obligated to settle any Transaction with Restricted Shares (a "**Private Placement Settlement**"), then delivery of Restricted Shares by Counterparty shall be effected in customary private placement procedures with respect to such Restricted Shares reasonably acceptable to Dealer; *provided* that Counterparty may not elect a Private Placement Settlement if, on the date of its election, it has taken, or caused to be taken, any action that would make unavailable either the exemption pursuant to Section 4(2) of the Securities Act for the sale by Counterparty to Dealer (or any affiliate designated by Dealer) of the Restricted Shares or the exemption pursuant to Section 4(1) or Section 4(3) of the Securities Act for resales of the Restricted Shares by Dealer (or any such affiliate of Dealer). The Private Placement Settlement of such Restricted Shares shall include customary representations, covenants, blue sky and other governmental filings and/or registrations, indemnities to Dealer, due diligence rights (for Dealer or any designated buyer of the Restricted Shares by Dealer), opinions and certificates, and such other documentation as is customary for private placement agreements, all reasonably acceptable to Dealer. In the case of a Private Placement Settlement, Dealer shall, in its good faith discretion, adjust the amount of Restricted Shares to be delivered to Dealer hereunder in a commercially reasonable manner to reflect the fact that (A) such Restricted Shares may not be freely returned to securities lenders by Dealer and may only be saleable by Dealer at a discount to reflect the lack of liquidity in Restricted Shares and (B) Dealer will incur carrying costs and other costs in connection with its hedge unwind activity relating to such Private Placement Settlement; *provided* that for any Transaction in no event will Counterparty be required to deliver to Dealer a number of Restricted Shares in excess of (i) the applicable Initial Number of Shares *multiplied by two, minus* (ii) the aggregate number of Shares delivered by Counterparty to Dealer under such Transaction prior to the date of such delivery (the "**Maximum Delivery Amount**"). If Dealer adjusts the amount of Restricted Shares, it shall provide Counterparty with a statement indicating in reasonable detail how such share adjustment was determined.

If Counterparty delivers any Restricted Shares in respect of a Transaction, Counterparty agrees that (A) such Shares may be transferred by and among Dealer and its affiliates and (B) after the "holding period" specified in Rule 144(d) under the Securities Act has elapsed, Counterparty shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Dealer (or such affiliate of Dealer) to Counterparty or such transfer agent of any seller's and broker's representation letters customarily delivered by Dealer or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Dealer (or such affiliate of Dealer).

- (ii) If Counterparty elects to settle a Transaction pursuant to this clause (ii) (a "**Registration Settlement**"), then Counterparty shall promptly (but in any event no later than the Scheduled Trading Day immediately prior to the date delivery of the Shares is due pursuant to the terms of these "Private Placement and Registration Procedures") file and use its reasonable efforts to make effective under the Securities Act a registration statement or supplement or amend an outstanding registration statement in form and substance reasonably satisfactory to Dealer, to cover the resale of Restricted Shares (the "**Registered Shares**") in accordance with customary resale registration procedures, including covenants, conditions, representations, underwriting discounts, commissions, indemnities, due diligence rights, opinions and certificates, and such other documentation as is customary for equity resale underwriting agreements, all reasonably acceptable to Dealer. If Dealer, in its reasonable discretion, is not satisfied with such procedures and documentation or if a Settlement Date is designated by Dealer pursuant to the "Acceleration Events" provisions above, Private Placement Settlement shall apply and Counterparty shall effect delivery of Restricted Shares by the tenth Scheduled Trading Day following notification from Dealer. In the case of a Registration Settlement, Dealer

shall, in its good faith discretion, adjust the amount of Registered Shares to be delivered to Dealer under the relevant Transaction in a commercially reasonable manner to reflect the fact that Dealer will incur carrying costs and other costs in connection with its hedge unwind activity relating to such Registered Settlement; *provided* that for any Transaction in no event will Counterparty be required to deliver to Dealer a number of Registered Shares in excess of the Maximum Delivery Amount for such Transaction. If Dealer adjusts the amount of Registered Shares, it shall provide Counterparty with a statement indicating in reasonable detail how such share adjustment was determined.

Indemnity. Counterparty agrees to indemnify Dealer and its affiliates and their respective directors, officers, employees, agents and controlling persons (Dealer and each such affiliate or person being an “**Indemnified Party**”) from and against any and all losses, claims, damages and liabilities, joint and several, incurred by or asserted against such Indemnified Party arising out of, in connection with, or relating to, the execution or delivery of this Confirmation, the performance by the parties hereto of their respective obligations under any Transaction, any breach of any covenant or representation made by Counterparty in this Confirmation or the Agreement or the consummation of the transactions contemplated hereby and will reimburse any Indemnified Party for all reasonable expenses (including reasonable legal fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto, except to the extent resulting from Dealer’s gross negligence or willful misconduct.

Waiver of Trial by Jury. EACH OF COUNTERPARTY AND DEALER HEREBY IRREVOCABLY WAIVES (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS STOCKHOLDERS) ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO ANY TRANSACTION OR THE ACTIONS OF DEALER OR ITS AFFILIATES IN THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT HEREOF.

Governing Law/Jurisdiction. This Confirmation shall be governed by the laws of the State of New York without reference to the conflict of laws provisions thereof. The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States Court for the Southern District of New York in connection with all matters relating hereto and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

Designation by Dealer. Notwithstanding any other provision in this Confirmation to the contrary requiring or allowing Dealer to purchase, sell, receive or deliver any Shares or other securities to or from Counterparty, Dealer may designate any of its affiliates to purchase, sell, receive or deliver such Shares or other securities and otherwise to perform Dealer obligations in respect of any Transaction and any such designee may assume such obligations. Dealer shall be discharged of its obligations to Counterparty only to the extent of any such performance.

Accounting Standards Codification (‘ASC’) 815-40; Alternative Settlement. The parties hereby agree that all documentation with respect to a Transaction is intended to qualify such Transaction as an equity instrument for purposes of Accounting Standards Codification (‘ASC’) 815-40. If, subject to “Netting and Set-off” below, Counterparty owes Dealer any amount in connection with a Transaction pursuant to Section 12.7 or 12.9 of the Equity Definitions (except in the case of an Extraordinary Event in which the consideration or proceeds to be paid to holders of Shares as a result of such event consists solely of cash) or pursuant to Section 6(d)(ii) of the Agreement (except in the case of an Event of Default in which Counterparty is the Defaulting Party or a Termination Event in which Counterparty is the Affected Party, other than (x) an Event of Default of the type described in Section 5(a)(iii), (v), (vi) or (vii) of the Agreement or (y) a Termination Event of the type described in Section 5(b)(i), (ii), (iii), (iv), or (v) of the Agreement that in the case of either (x) or (y) resulted from an event or events outside Counterparty’s control) (a “**Payment Obligation**”), Counterparty shall have the right, in its sole discretion, to satisfy any such Payment Obligation by delivery of Termination Delivery Units (as defined below) by giving irrevocable telephonic notice to Dealer, confirmed in writing within one Scheduled Trading Day, between the hours of 9:00 a.m. and 4:00 p.m. New York time on the Closing Date, Early Termination Date or other date of termination or cancellation, as applicable (“**Notice of Termination Delivery**”). Upon Notice of Termination Delivery, Counterparty shall deliver to Dealer a number of Termination Delivery Units having a cash value equal to the amount of such Payment Obligation (such number of Termination Delivery Units to be delivered to be determined by the Calculation Agent acting in a commercially reasonable manner, taking into account whether the Termination Delivery Units so delivered are freely tradable). Settlement relating to any delivery of Termination Delivery Units pursuant to this provision shall occur within three Scheduled Trading Days. “**Termination Delivery Unit**” means (A) in the case of a Termination Event, an Event of Default or an Extraordinary Event (other than an Insolvency, Nationalization, Merger Event or Tender Offer), one Share or (B) in the case of an Insolvency, Nationalization, Merger Event or Tender Offer, a unit consisting of the number or amount of each type of property received by a holder of one Share (without consideration of any requirement to pay cash or other consideration in lieu of fractional amounts of any securities) in such Insolvency, Nationalization, Merger Event or Tender Offer; *provided* that if such Insolvency, Nationalization, Merger Event or Tender Offer involves a choice of consideration to be received by holders, such holder shall be deemed to have elected to receive the maximum possible amount of cash.

Disclosure. Effective from the date of commencement of discussions concerning a Transaction, each of Dealer and Counterparty and each of their employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of such Transaction and all materials of any kind (including opinions or other tax analyses) relating to such tax treatment and tax structure.

Right to Extend. Dealer may postpone any Settlement Date or any other date of valuation or delivery, with respect to some or all of the relevant Settlement Shares, if Dealer determines, in its discretion, that such extension is reasonably necessary or appropriate to enable Dealer to effect purchases of Shares in connection with its hedging activity hereunder or under any other Equity Contract in a manner that would, if Dealer were Counterparty or an affiliated purchaser of Counterparty, be in compliance with applicable legal and regulatory requirements, as determined by Dealer based upon the advice of outside counsel of national standing.

Counterparty Share Repurchases. Counterparty agrees not to repurchase any Shares if, immediately following such purchase, the Number of Shares for all Transactions under this Confirmation and all other Equity Contracts (as defined in “Netting and Set-off” below) would be equal to or greater than 8.0% of the number of then-outstanding Shares or such lower number of Shares as Dealer notifies Counterparty would, in the reasonable judgment of outside counsel of national standing for Dealer, present legal or regulatory issues for Dealer.

Limit on Beneficial Ownership. Notwithstanding any other provisions hereof, Dealer shall not be entitled to receive Shares hereunder (whether in connection with the purchase of Shares on any Settlement Date or otherwise) to the extent (but only to the extent) that such receipt would result in Dealer and its affiliates (i) directly or indirectly beneficially owning (as such term is defined for purposes of Section 13(d) of the Exchange Act or, if it would result

in a higher percentage of beneficial ownership, the equivalent calculation for purposes of determining a ten percent beneficial owner under Section 16 of the Exchange Act) at any time in excess of 4.9% of the outstanding Shares or (ii) having direct or indirect ownership or control (for purposes of the Bank Holding Company Act of 1956, as amended) at any time in excess of 4.9% of the outstanding Shares. Any purported delivery hereunder shall be void and have no effect to the extent (but only to the extent) that such delivery would result in Dealer and its affiliates directly or indirectly so beneficially owning or so owning or controlling in excess of 4.9% of the outstanding Shares. If any delivery owed to Dealer hereunder is not made, in whole or in part, as a result of this provision, Counterparty's obligation to make such delivery shall not be extinguished and Counterparty shall make such delivery as promptly as practicable after, but in no event later than one Exchange Business Day after, Dealer gives notice to Counterparty that such delivery would not result in Dealer and its affiliates directly or indirectly so beneficially owning or so owning or controlling in excess of 4.9% of the outstanding Shares.

Commodity Exchange Act. Each of Dealer and Counterparty agrees and represents that it is an "eligible contract participant" as defined in the U.S. Commodity Exchange Act, as amended (the "CEA"), the Agreement and each Transaction are subject to individual negotiation by the parties and have not been executed or traded on a "trading facility" as defined in the CEA.

Securities Act. Each of Dealer and Counterparty agrees and represents that it is a "qualified institutional buyer" as defined in Rule 144A under the Securities Act, or an "accredited investor" as defined under the Securities Act.

ERISA. Each of Dealer and Counterparty agrees and represents that the assets used in each Transaction (a) are not assets of any "plan" (as such term is defined in Section 4975 of the U.S. Internal Revenue Code (the "Code")) subject to Section 4975 of the Code or any "employee benefit plan" (as such term is defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA")) subject to Title I of ERISA, and (b) do not constitute "plan assets" (as such term is defined in Section 3(42) of ERISA).

Bankruptcy Status. Dealer acknowledges and agrees that this Confirmation is not intended to convey to Dealer rights with respect to the transactions contemplated hereby that are senior to the claims of Counterparty's common stockholders in any U.S. bankruptcy proceedings of Counterparty; *provided, however*, that nothing herein shall be deemed to limit Dealer's right to pursue remedies in the event of a breach by Counterparty of its obligations and agreements with respect to this Confirmation and the Agreement; and *provided, further*, that nothing herein shall limit or shall be deemed to limit Dealer's rights in respect of any transaction other than the Transactions.

No Collateral. The parties acknowledge that none of the Transactions are secured by any collateral that would otherwise secure the obligations of Counterparty herein under or pursuant to the Agreement. Without limiting the generality of the foregoing, none of the Transactions will be considered to create obligations covered by any collateral credit support annex to the Agreement and will be disregarded for the purposes of calculating any exposures pursuant to any such annex.

Netting and Set-off. Dealer agrees not to set-off or net amounts due from Counterparty with respect to any Transaction against amounts due from Dealer to Counterparty under obligations other than Equity Contracts. Section 2(c) of the Agreement as it applies to payments due with respect to any Transaction shall remain in effect and is not subject to the first sentence of this provision. The parties agree that Section 6(f) of the Agreement is amended and restated to read as follows:

"(f) Upon the occurrence of an Event of Default or Termination Event with respect to Counterparty as the Defaulting Party or the Affected Party ("X"), Dealer ("Y") will have the right (but not be obliged) without prior notice to X or any other person to set-off or apply any obligation of X under an Equity Contract owed to Y (or any Affiliate of Y) (whether or not matured or contingent and whether or not arising under this Agreement, and regardless of the currency, place of payment or booking office of the obligation) against any obligation of Y (or any Affiliate of Y) under an Equity Contract owed to X (whether or not matured or contingent and whether or not arising under this Agreement, and regardless of the currency, place of payment or booking office of the obligation). Y will give notice to the other party of any set-off effected under this Section 6(f).

"Equity Contract" shall mean for purposes of this Section 6(f) any Transaction relating to Shares sold pursuant to the Distribution Agreement.

If any obligation is unascertained, Y may in good faith estimate that obligation and set-off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

Nothing in this Section 6(f) shall be effective to create a charge or other security interest. This Section 6(f) shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which any party is at any time otherwise entitled (whether by operation of law, contract or otherwise)."

Wall Street Transparency and Accountability Act of 2010. The parties hereby agree that none of (a) Section 739 of the Wall Street Transparency and Accountability Act of 2010 ("WSTAA"), (b) any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after any Trade Date, (c) the enactment of WSTAA or any regulation under the WSTAA, (d) any requirement under WSTAA nor (e) an amendment made by WSTAA, shall limit or otherwise impair either party's rights to terminate, renegotiate, modify, amend or supplement this Confirmation or the Agreement, as applicable, arising from a termination event, force majeure, illegality, increased costs, regulatory change or similar event under this Confirmation, the Equity Definitions incorporated herein, or the Agreement (including, but not limited to, rights arising from Change in Law, Increased Cost of Stock Borrow or Illegality (as defined in the Agreement)).

Tax Representations.

(i) For the purpose of Section 3(e) of the Agreement, each party makes the following representation:

- (A) It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of the Agreement and any other payments of interest and penalty charges for late payment) to be made by it to the other party under the Agreement.
 - (B) In making this representation, a party may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of the Agreement, and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of the Agreement, and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of the Agreement, *provided* that it shall not be a breach of this representation where reliance is placed on clause (ii) above and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.
- (ii) For the purpose of Section 3(f) of the Agreement:
- (A) Dealer makes the following representation(s):
 - (1) It is a “U.S. person” (as that term is used in section 1.1441-4(a)(3)(ii) of United States Treasury Regulations) for United States federal income tax purposes.
 - (2) It is a financial institution that is an exempt recipient under Treasury Regulation Section 1.6409—4(c)(1)(ii)(M).
 - (B) Counterparty represents that it is a “U.S. person” (as that term is used in section 1.1441-4(a)(3)(ii) of United States Treasury Regulations) for United States federal income tax purposes.

Change of Account. Section 2(b) of the Agreement is hereby amended by the addition after the word “delivery” in the first line thereof of the phrase “to another account in the same legal and tax jurisdiction”.

Please confirm your agreement to be bound by the terms stated herein by executing the copy of this Confirmation enclosed for that purpose and returning it to John Servidio at Bank of America, N.A. (email john.servidio@bofasecurities.com).

Very truly yours,

BANK OF AMERICA, N.A.

By: /s/ David Moran

Name: David Moran

Title: Managing Director

Counterparty hereby agrees to, accepts and confirms the terms of the foregoing as of the date first written above.

AFFILIATED MANAGERS GROUP, INC.

By: /s/ John Kingston, III

Name: John Kingston, III

Title: Vice Chairman, General Counsel and Secretary

Signature page to Registered Forward
Transaction Confirmation



ANNEX A

PRICING SUPPLEMENT

DATE: []

TO: Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965

ATTENTION: Jay C. Horgen
FACSIMILE: (617) 747-3380

FROM: Bank of America, N.A.
c/o Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036
Attn: John Servidio

TELEPHONE: (646) 855-2527

FACSIMILE: (704) 208-2869

SUBJECT: Registered Forward Transaction

REFERENCE NUMBER(S): []

Ladies and Gentlemen:

This Pricing Supplement is the Pricing Supplement contemplated by the Registered Forward Transaction dated as of August 8, 2012 (the “**Confirmation**”) between Affiliated Managers Group, Inc. (“**Counterparty**”) and Bank of America, N.A. (“**Dealer**”) for the Transaction with the Trade Date referenced below.

For all purposes under the Confirmation:

- (a) the Trade Date is [];
- (b) the Hedge Completion Date is [];
- (c) the Number of Shares shall be [], subject to further adjustment in accordance with the terms of the Confirmation;
- (d) the Initial Forward Price shall be USD []; and
- (e) the Final Date is [].

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Very truly yours,

BANK OF AMERICA, N.A.

By: _____

Name:
Title:

Confirmed as of the date first above written:

AFFILIATED MANAGERS GROUP, INC.

By: _____

Name:
Title:

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AFFILIATED MANAGERS GROUP, INC.

Shares of Common Stock
(par value \$0.01 per share)

AMENDED AND RESTATED DISTRIBUTION AGENCY AGREEMENT

August 8, 2012

DEUTSCHE BANK SECURITIES INC.
60 Wall Street
New York, New York 10005

Ladies and Gentlemen:

This Amended and Restated Distribution Agency Agreement amends and restates in its entirety the Distribution Agency Agreement, dated as of July 26, 2011, between Affiliated Managers Group, Inc., a Delaware corporation (the "Company") and Deutsche Bank Securities Inc. (the "Manager"). The Company confirms its agreement with the Manager, as follows:

Introductory. The Company has entered into a forward stock purchase transaction with Deutsche Bank AG, London Branch (the "Forward Purchaser") as set forth in a separate letter agreement dated the date hereof, a copy of which is attached hereto as Exhibit A (the "Initial Confirmation"). The Company may also enter into additional forward stock purchase transactions with the Forward Purchaser on substantially similar terms (each, a "Subsequent Confirmation" and, together with the Initial Confirmation, the "Confirmations").

The Company has also entered into a distribution agency agreement (the "Additional Distribution Agency Agreement"), dated the date hereof, with Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Additional Manager") and a forward stock purchase transaction with an affiliate of the Additional Manager and the Company may enter into additional forward stock purchase transactions with an affiliate of the Additional Manager.

Subject to the terms and conditions herein and therein, under the Confirmation and, if applicable, the Subsequent Confirmations, the Company will deliver to the Forward Purchaser, or an affiliate thereof (including the Manager), up to the number of shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), as may be sold in accordance with the terms of this Agreement. In connection therewith, the Company and the Forward Purchaser understand that the Forward Purchaser, through the Manager, as sales agent, will effect sales of shares of Common Stock having an aggregate offering price not in excess of \$400,000,000 (the "Shares") on the terms set forth in Section 2 of this Amended and Restated Distribution Agency Agreement (the "Agreement").

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Section 1. Representations and Warranties of the Company. The Company represents and warrants to the Manager that:

(a) Compliance with Registration Requirements. The Company has filed, in accordance with the provisions of the Securities Act of 1933, as amended (the "1933 Act"), and the rules and regulations thereunder (the "1933 Act Regulations"), with the Securities and Exchange Commission (the "Commission") an "automatic shelf registration statement," as defined in Rule 405 of the 1933 Act Regulations ("Rule 405"), on Form S-3 (File No. 333-168627), including a prospectus, to be used in connection with the public offering and sale of the Shares, which incorporates by reference documents that the Company has filed or will file in accordance with the provisions of the Securities Exchange Act of 1934, as amended (the "1934 Act"), and the rules and regulations thereunder (the "1934 Act Regulations"), which registration statement became effective not earlier than three years prior to the date of this Agreement upon filing under Rule 462(e) of the 1933 Act Regulations.

Except where the context otherwise requires, the registration statement, as it may have heretofore been amended, including all documents filed as part thereof or incorporated by reference therein, and including any information contained in a Prospectus (as defined below) filed with the Commission pursuant to Rule 430B of the 1933 Act Regulations ("Rule 430B") and also including any other registration statement filed with the Commission pursuant to Rule 462(b) or Rule 429 of the 1933 Act Regulations, is herein called the "Registration Statement;" the base prospectus filed as part of such Registration Statement, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is herein called the "Base Prospectus;" the prospectus supplement dated August 8, 2012, specifically relating to the Shares prepared and filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations is herein called the "Prospectus Supplement;" and the Base Prospectus, as amended and supplemented from time to time by the Prospectus Supplement, is herein called the "Prospectus." The Registration Statement at the time it originally became effective is herein called the "Original Registration Statement." Any reference herein to the Registration Statement, the Base Prospectus, Prospectus Supplement or Prospectus or any amendment or supplement thereto shall be deemed to refer to and include the documents incorporated by reference therein, and any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement or the Prospectus shall be deemed to refer to and include the filing after the execution hereof with the Commission of any post-effective amendment to the Registration Statement, any Prospectus Supplement and any document deemed to be incorporated by reference therein.

To the extent that the Registration Statement is not available for the sales of the Shares as contemplated by this Agreement or the Company is not a "well known seasoned issuer" as defined in Rule 405 or otherwise is unable to make the representations set forth in Section 1(b) at any time when such representations are required, the Company shall file a new registration statement with respect to any additional shares of Common Stock necessary to complete such sales of the Shares and shall cause such registration statement to become effective as promptly as practicable. After the effectiveness of any such registration statement, all references to "Registration Statement" included in this Agreement shall be deemed to include such new registration statement, including all documents filed as part thereof or incorporated therein by reference, and all references to "Prospectus" included in this Agreement shall be

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deemed to include the final form of prospectus, including all documents incorporated therein by reference, included in any such registration statement, as amended or supplemented from time to time (including by any prospectus supplement thereto). For purposes of this Agreement, all references to the Registration Statement or the Prospectus or to any amendment or supplement thereto shall be deemed to include any copy filed with the Commission pursuant to its Electronic Data Gathering Analysis and Retrieval System (“EDGAR”), and such copy shall be identical in content to any Prospectus delivered to the Manager for use in connection with the offering of the Shares.

(b) Well-Known Seasoned Issuer. (1) At the time of filing of the Original Registration Statement, (2) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the 1933 Act or otherwise (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act or form of prospectus), (3) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) of the 1933 Act Regulations) made any offer relating to the Shares in reliance on the exemption of Rule 163 of the 1933 Act Regulations, (4) at the earliest time after the filing of the Original Registration Statement that a bona fide offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Shares was made, and (5) at the date hereof, the Company was and is a “well-known seasoned issuer” as defined in Rule 405. The Registration Statement is an “automatic shelf registration statement,” as defined in Rule 405, and the Shares, since their registration on the Registration Statement, have been and remain eligible for registration by the Company on a Rule 405 “automatic shelf registration statement.” The Company has not received from the Commission any notice pursuant to Rule 401(g)(2) of the 1933 Act Regulations objecting to the use of the automatic shelf registration statement form.

(c) S-3 Eligibility. The Company meets, and at the time of filing of the Original Registration Statement met, the requirements for use of Form S-3 under the 1933 Act. The Registration Statement has been filed with the Commission and is effective under the 1933 Act. The Company has not received, and has no notice of, any order of the Commission preventing or suspending the use or effectiveness of the Registration Statement, or threatening or instituting proceedings for that purpose. Any statutes, regulations, contracts or other documents that are required to be described in the Registration Statement or the Prospectus or to be filed as exhibits to the Registration Statement have been so described or filed. Copies of the Registration Statement and the Prospectus, any such amendments or supplements and all documents incorporated by reference therein that were filed with the Commission on or prior to the date of this Agreement (including one fully executed copy of each of the Registration Statement and of each amendment thereto for the Manager) have been delivered to the Manager and its counsel. The Company has not distributed any offering material in connection with the offering or sale of the Shares other than the Registration Statement, the Prospectus or any other materials, if any, permitted by the 1933 Act and the 1933 Act Regulations and reviewed and consented to by the Manager.

(d) Form Compliance; No Material Misstatement or Omission of a Material Fact. Each of the Registration Statement, any post-effective amendment thereto, the Prospectus and any amendment or supplement thereto conforms, and when it became effective or was filed with the Commission conformed, in all material respects with the requirements of the 1933 Act and

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the 1933 Act Regulations. The Registration Statement and any post-effective amendment thereto, when it became effective or was filed with the Commission, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Prospectus and any amendment or supplement thereto does not, and on the date of filing thereof with the Commission did not, include an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the foregoing shall not apply to statements in, or omissions from, any such document in reliance upon, and in conformity with, written information concerning the Manager that was furnished in writing to the Company by the Manager specifically for use in the preparation thereof.

(e) Issuer Free Writing Prospectuses. Any Issuer Free Writing Prospectus(es) (as defined below) and the Prospectus, as amended or supplemented, all considered together (collectively, the “General Disclosure Package”), do not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

As used in this subsection and elsewhere in this Agreement:

“Applicable Time” means the time of each sale of any Shares pursuant to this Agreement.

“Issuer Free Writing Prospectus” means any “issuer free writing prospectus,” as defined in Rule 433 of the 1933 Act Regulations (“Rule 433”), relating to the Shares, in the form filed or required to be filed with the Commission or, if not required to be filed, in the form retained in the Company’s records pursuant to Rule 433(g).

Each Issuer Free Writing Prospectus does not, and as of its issue date and all subsequent times did not, include any information that conflicts or conflicted with the information contained in the Registration Statement or the Prospectus, including any document incorporated by reference therein, and any preliminary or other prospectus deemed to be a part thereof that has not been superseded or modified.

The representations and warranties in this Section 1(e) shall not apply to statements in or omissions from the Registration Statement, the Prospectus or any amendments or supplements thereto or any Issuer Free Writing Prospectus made in reliance upon and in conformity with the Manager Information.

(f) Incorporation of Documents by Reference. The documents incorporated by reference in the Registration Statement and the Prospectus comply, and at the time they were filed with the Commission complied, in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations, and, when read together with the other information in the Prospectus, do not, and at the time the Original Registration Statement became effective and at the date of the Prospectus did not, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

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(g) Independent Accountants. The accountants who certified the financial statements and supporting schedules incorporated by reference into the Registration Statement and the Prospectus are independent public accountants as required by the 1933 Act and the 1933 Act Regulations.

(h) Financial Statements. The financial statements included in or incorporated by reference into the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects (i) the financial position of the Company and its consolidated subsidiaries at the dates indicated and (ii) the consolidated statements of income, changes in stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved, except as stated therein. The supporting schedules incorporated by reference into the Registration Statement and the Prospectus present fairly in accordance with GAAP the information required to be stated therein. Any *pro forma* financial statements of the Company, and the related notes thereto, included in or incorporated by reference into the Registration Statement and the Prospectus present fairly the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to *pro forma* financial statements and have been properly compiled on the basis described therein, and the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions and circumstances referred to therein. No other financial statements are required to be set forth in or incorporated by reference into the Registration Statement or the Prospectus under the 1933 Act or the 1933 Act Regulations.

(i) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement, the General Disclosure Package and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change or prospective material adverse change in the business, management, financial position, stockholders' equity or results of operations of the Company and its subsidiaries considered as one enterprise from that set forth in the Registration Statement, the General Disclosure Package and the Prospectus, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(j) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Prospectus and to enter into and perform its obligations under, or as contemplated by, this Agreement and the Confirmations. The Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

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(k) Good Standing of Subsidiaries. Each subsidiary of the Company has been duly organized or formed and is validly existing as a corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, under the laws of its jurisdiction of organization and is in good standing under the laws of its jurisdiction of organization, has power (corporate or otherwise) and authority to own, lease and operate its properties and to conduct its business as described in the General Disclosure Package and the Prospectus and is duly qualified as a foreign corporation, limited partnership, limited liability company, Massachusetts business trust or general partnership, as the case may be, to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect. Except as otherwise disclosed in the General Disclosure Package and the Prospectus, all of the issued shares of capital stock of each subsidiary of the Company which is a corporation, have been duly authorized and validly issued, and are fully paid and non-assessable, and to the extent owned by the Company or any of its subsidiaries (except for directors' qualifying shares and as described or reflected generally in the General Disclosure Package and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, in each case with such exceptions, individually or in the aggregate, as would not have a Material Adverse Effect. The partnership interests, membership interests and shares of beneficial interest of each subsidiary of the Company which is a partnership, limited liability company or Massachusetts business trust have been validly issued in accordance with applicable law and the partnership agreement, limited liability agreement or declaration of trust, as applicable, of such subsidiary, and to the extent owned by the Company or any of its subsidiaries (except as described or reflected generally in the General Disclosure Package and the Prospectus) are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except, in the case of each subsidiary of the Company, for liens, encumbrances, equities or claims which individually or in the aggregate would not be material to the Company's ownership of such subsidiary or to the Company's exercise of its rights with respect to such subsidiary; and none of the outstanding shares of capital stock, partnership interests, membership interests or shares of beneficial interests, as the case may be, of any subsidiary of the Company was issued in violation of the preemptive or similar rights of any securityholder of such subsidiary.

(l) Capitalization. The Company has the authorized, issued and outstanding capitalization described in the General Disclosure Package and the Prospectus (except for subsequent issuances, if any, pursuant to reservations, agreements or employee benefit plans or pursuant to the exercise of convertible securities or options, in each case accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented). The shares of issued and outstanding capital stock of the Company, including the Shares, have been duly authorized and validly issued and are fully paid and non-assessable; and none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company. There are no authorized or outstanding options, warrants, preemptive rights, rights of first refusal or other rights to purchase, or equity or debt securities convertible into or exchangeable or exercisable for, any capital stock of the Company or any of its subsidiaries other than those accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented, or pursuant to reservations, agreements or employee benefit plans or the exercise of convertible

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securities or options, in each case accurately described or reflected in the General Disclosure Package and the Prospectus, as amended or supplemented.

(m) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(n) Authorization of Confirmations. The Initial Confirmation has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof

may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The Company has duly authorized each Subsequent Confirmation and, when executed and delivered by the Company, each Subsequent Confirmation will constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law). The description of the Confirmation and the Subsequent Confirmations set forth in the General Disclosure Package and the Prospectus is correct in all material respects.

(o) Authorization and Description of Shares. The description of the Common Stock set forth in the General Disclosure Package and the Prospectus is correct in all material respects. The Settlement Shares (as defined in the Confirmation(s)) have been duly authorized by the Company for issuance and sale to the Forward Purchaser pursuant to the Confirmation(s) and, if and when issued and delivered by the Company pursuant to the Confirmation(s) against payment of the consideration specified therein, will be validly issued, fully paid and non-assessable and will not be issued in violation of any preemptive or other similar rights of any securityholder of the Company. No holder or beneficial owner of the Shares or the Settlement Shares will be subject to personal liability solely by reason of being such a holder or beneficial owner. The issuance and sale by the Company of the Settlement Shares to the Forward Purchaser or its affiliate in settlement of the Confirmation(s) in accordance with the terms thereof and the delivery by the Forward Purchaser or its affiliate of the Settlement Shares, during the term of and at settlement of the Confirmation(s), to close out open borrowings of Common Stock created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under the Confirmation(s) will not require registration under the 1933 Act. The Company will not have an obligation to file a prospectus supplement pursuant to Rule 424(b) of the 1933 Act Regulations in connection with any Settlement Shares delivered to the Forward Purchaser or its affiliate by the Company upon such settlement, and no prospectus supplement will be required to be filed under Rule 424(b) of the 1933 Act Regulations in connection with any Settlement Shares delivered by the Forward Purchaser or its affiliate to close out open borrowings created in the course of the hedging activities created by the Forward Purchaser or its affiliate relating to its exposure under the Confirmation(s), assuming in each case that the Manager complied with Rule 173 of the 1933 Act Regulations in connection with

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the sales of Shares in an amount not less than the Number of Shares (as defined in the Confirmation(s)).

(p) Listing on New York Stock Exchange. The Shares are listed on the New York Stock Exchange (the "NYSE") and the Company has taken no action designed to, or likely to have the effect of, terminating the listing of the Shares from the NYSE, nor has the Company received any notification that the Commission or the NYSE is contemplating terminating such listing.

(q) Absence of Defaults and Conflicts. Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws or other constituting or organizational document or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary of the Company is subject (collectively, "Agreements and Instruments") except for such defaults that would not result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement and the Confirmation(s) and the consummation of the transactions contemplated herein and therein and in the General Disclosure Package and the Prospectus and compliance by the Company with its obligations hereunder and thereunder, have been duly authorized by all necessary corporate action and do not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary of the Company pursuant to, the Agreements and Instruments (except for such conflicts, breaches or defaults or liens, charges or encumbrances that would not result in a Material Adverse Effect), nor will such action result in any violation of the provisions of the charter or by-laws or other constituting or organizational instrument as in effect on the date hereof of the Company or any subsidiary of the Company or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary of the Company or any of their assets, properties or operations, except for any such violation of any applicable law, statute, rule, regulation, judgment, order, writ or decree of law which would not result in a Material Adverse Effect. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary of the Company.

(r) Absence of Proceedings. Except as disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any subsidiary of the Company, which, singly or in the aggregate, would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be expected to materially and adversely affect the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations hereunder.

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(s) Accuracy of Descriptions. All of the descriptions of contracts or other documents contained or incorporated by reference in the Registration Statement, the General Disclosure Package and the Prospectus are accurate and complete descriptions in all material respects of such contracts or other documents.

(t) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder or under the Confirmation(s) or the consummation of the transactions contemplated by this Agreement, or for the due execution, delivery or performance of this Agreement and the Confirmation(s), except such as have been already obtained or as may be required under the 1933 Act or the 1933 Act Regulations or state securities laws.

(u) Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to

conduct the business now operated by them; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except in any such case where the failure to so possess or to comply would not, singly or in the aggregate, have a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except where the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not have a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

(v) Title to Property. The Company and its subsidiaries have good and marketable title to all real property owned by the Company and its subsidiaries and good title to all other properties owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the General Disclosure Package and the Prospectus or (b) would not, singly or in the aggregate, result in a Material Adverse Effect; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the General Disclosure Package and the Prospectus, are in full force and effect, and neither the Company nor any subsidiary of the Company has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary of the Company under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease.

(w) No Investment Company. Neither the Company nor any of its subsidiaries is, and upon the offering of the Shares as herein contemplated will be, an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended (the "1940 Act").

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(x) Company Not an Investment Adviser. The Company is not required to register as an "investment adviser" or as a "broker-dealer" within the Investment Advisers Act of 1940, as amended (the "Advisers Act") or the 1934 Act, respectively, and the rules and regulations of the Commission promulgated thereunder. The Company is not required to be registered, licensed or qualified as an investment adviser or broker-dealer under the laws requiring any such registration, licensing or qualification in any jurisdiction in which it or its subsidiaries conduct business. Each of the subsidiaries has been duly registered as an investment adviser under the Advisers Act, and has been duly registered as a broker-dealer under the 1934 Act, and each such registration is in full force and effect, in each case to the extent such registration is required and with such exceptions as would not reasonably be expected to have a Material Adverse Effect. Each of the subsidiaries is duly registered, licensed or qualified as an investment adviser and broker-dealer under state and local laws where such registration, licensing or qualification is required by such laws and is in compliance with all such laws requiring any such registration, licensing or qualification, in each case with such exceptions, individually or in the aggregate, as would not reasonably be expected to have a Material Adverse Effect.

(y) Investment Adviser Subsidiaries. Each subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is and has been in compliance with all applicable laws and governmental rules and regulations, as may be applicable to its investment advisory or broker-dealer business, except to the extent that such non-compliance would not reasonably be expected to result in a Material Adverse Effect and none of such subsidiaries is prohibited by any provision of the Advisers Act or the 1940 Act from acting as an investment adviser. Each subsidiary of the Company which is required to be registered as a broker-dealer is a member in good standing of the Financial Industry Regulatory Authority ("FINRA"). No subsidiary of the Company which is required to be registered as an investment adviser or broker-dealer is in default with respect to any judgment, order, writ, injunction, decree, demand or assessment issued by any court or any foreign, federal, state, municipal or other governmental agency, board, commission, bureau, instrumentality or department, domestic or foreign, or by any self-regulatory authority relating to any aspect of its investment advisory or broker-dealer business, which would need to be disclosed pursuant to Rule 206(4)-4(b) under the Advisers Act, or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 11, Part 1 of the Form ADV of such registered investment adviser or which is reasonably likely to give rise to an affirmative answer to any of the questions in Item 7 of the Form BD of such broker-dealer.

(z) Investment Company Mutual Funds. Each mutual fund of which a subsidiary of the Company serves as the investment advisor (a "Mutual Fund") has been since inception, is currently and will be immediately after consummation of the transactions contemplated herein, a duly registered investment company in compliance with the 1940 Act, and the rules and regulations promulgated thereunder and duly registered or licensed, except where any failure to be duly registered, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. Since their initial offering, shares of each of the Mutual Funds have been duly qualified for sale under the securities laws of each jurisdiction in which they have been sold or offered for sale at such time or times during which such qualification was required, and, if not so qualified, the failure to so qualify would not reasonably be expected to have a Material Adverse Effect. The offering and sale of shares of each of the Mutual Funds have been

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registered under the 1933 Act during such period or periods for which such registration is required; the related registration statement has become effective under the 1933 Act; no stop order suspending the effectiveness of any such registration statement has been issued and no proceedings for that purpose have been instituted or, to the best knowledge of the Company, are contemplated. Except to the extent that such failure to comply, misstatement or omission, as the case may be, would not reasonably be likely to result in a Material Adverse Effect, the registration statement of each Mutual Fund, together with the amendments and supplements thereto, under the 1940 Act and the 1933 Act has, at all times when such registration statement was effective, complied in all material respects with the requirements of the 1940 Act and the 1933 Act then in effect and neither such registration statement nor any amendments or supplements thereto contained, at the time and in light of the circumstances in which they were made, an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, at the time and in the light of the circumstances under which they were made, not misleading. All shares of each of the Mutual Funds were sold pursuant to an effective registration statement, or pursuant to a valid exemption from registration, and have been duly authorized and are validly issued, fully paid and non-assessable. Each of the Mutual Funds' investments has been made in accordance with its investment policies and restrictions set forth in its registration statement in effect at the time the investments were made and have been held in accordance with its respective investment policies and restrictions, to the extent applicable and in effect at the time such investments were held, except to the extent any failure to comply with such policies and restrictions, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

(aa) Investment Advisory Agreements. The Company is not party to any investment advisory agreement or distribution agreement and is not serving or acting as an investment adviser to any person. Each of the investment advisory agreements to which any of its subsidiaries is a party is a legal

and valid obligation of such subsidiary and complies with the applicable requirements of the Advisers Act and the rules and regulations of the Commission thereunder, except where the failure to so comply would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each of the investment advisory agreements and distribution agreements between a subsidiary of the Company and a Mutual Fund is a legal and valid obligation of such subsidiary and complies with the applicable requirements of the 1940 Act, and in the case of such distribution agreements, with the applicable requirements of the 1934 Act, except where the failure to so comply would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No investment advisory agreement or distribution agreement to which any of the subsidiaries is a party that was either in effect on January 1, 2008 or entered into by a subsidiary of the Company since January 1, 2008 has been terminated or expired, except where any such termination or expiration would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. None of such subsidiaries is in breach or violation of or in default under any such investment advisory agreement or distribution agreement, with such exceptions individually or in the aggregate as would not reasonably be expected to have a Material Adverse Effect. No subsidiary of the Company is serving or acting as an investment adviser to any person except pursuant to an agreement to which such subsidiary is a party and which is in full force and effect, other than any agreement the non-existence of which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The consummation of the transaction

contemplated herein will not constitute an “assignment” as such term is defined in the Advisers Act and the 1934 Act.

(bb) No Fiduciary Duties. The Company acknowledges and agrees that (i) the sale of the Shares pursuant to this Agreement is an arm’s-length commercial transaction among the Company, on the one hand, and the Forward Purchaser and the Manager, on the other hand, (ii) in connection with the offering contemplated hereby and the process leading to such transaction, the Manager is acting as agent for the Forward Purchaser in connection with sales of the Shares sold on behalf of the Forward Purchaser and neither the Manager nor the Forward Purchaser nor any of their affiliates is an agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (iii) the Manager has not assumed and will not assume an advisory or fiduciary responsibility in favor of the Company with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether the Manager has advised or is currently advising the Company on other matters) and the Manager has no obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (iv) the Manager and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company, and (v) the Manager has not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

(cc) Internal Control over Financial Reporting. The Company maintains a system of internal control over financial reporting (as such term is defined in Rule 13a-15(f) of the 1934 Act Regulations) that complies with the requirements of the 1934 Act and the 1934 Act Regulations and that has been designed by the Company’s principal executive officer and principal financial officer, or under their supervision, to provide reasonable assurance regarding the reliability of financial reporting, the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and the interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement. The Company’s internal control over financial reporting is effective and the Company is not aware of any material weaknesses in its internal control over financial reporting. Since the date of the latest audited financial statements included or incorporated by reference in the General Disclosure Package and the Prospectus, there has been no change in the Company’s internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

(dd) eXtensible Business Reporting Language. The interactive data in eXtensible Business Reporting Language included or incorporated by reference in the Registration Statement fairly presents the information called for in all material respects and has been prepared in accordance with the Commission’s rules and guidelines applicable thereto.

(ee) Disclosure Controls and Procedures. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) of the 1934 Act Regulations) that comply with the requirements of the 1934 Act and the 1934 Act Regulations; such disclosure controls and procedures have been designed to ensure that material information relating to the Company and its subsidiaries is made known to the Company’s principal

executive officer and principal financial officer by others within those entities; and such disclosure controls and procedures are effective.

(ff) No Stop Order or Cease-and-Desist Proceeding. The Registration Statement is not the subject of a pending proceeding or examination under Section 8(d) or 8(e) of the 1933 Act, and the Company is not the subject of a pending proceeding under Section 8A of the 1933 Act in connection with the offering of the Securities.

(gg) Actively-Traded Security. The Common Stock is an “actively traded security” exempted from the requirements of Rule 101 of Regulation M under the 1934 Act by subsection (c)(1) of such rule.

(hh) No Other At-The-Market Offerings. Except for the Additional Distribution Agency Agreement and as otherwise disclosed in the Registration Statement, the General Disclosure Package and the Prospectus, the Company has not entered into any other sales agency agreements or other similar arrangements with any agent or any other representative in respect of at the market offerings of the Shares in accordance with Rule 415(a)(4) of the 1933 Act Regulations.

(ii) No Stabilization or Manipulation. The Company has not taken, directly or indirectly, any action designed to or that might be reasonably expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Shares.

(jj) No Commissions. There is no broker, finder or other party that is entitled to receive from the Company any brokerage or finder’s fee or other fee or commission as a result of any transactions contemplated by this Agreement.

(kk) Deemed Representation. Any certificate signed by any officer of the Company delivered to the Manager or to counsel for the Manager pursuant to or in connection with this Agreement shall be deemed a representation and warranty by the Company to the Manager as to the matters covered thereby.

Section 2. Sale and Delivery of Shares.

(a) Subject to the terms and conditions set forth herein, the Manager agrees to use its reasonable efforts to sell the Shares as sales agent for the Forward Purchaser in the manner contemplated by the General Disclosure Package.

(b) The Shares are to be sold on a daily basis or otherwise as shall be agreed to by the Company, the Forward Purchaser and the Manager on any day that is a trading day for the NYSE (other than a day on which the NYSE is scheduled to close prior to its regular weekday closing time, each, a "Trading Day") that the Company has satisfied its obligations under Section 4 of this Agreement and that the Company has instructed the Manager to make such sales. On any Trading Day, the Company, in consultation with the Forward Purchaser and the Manager, may instruct the Manager by telephone (confirmed promptly by telecopy or email, which confirmation will be promptly acknowledged by the Manager) as to the maximum amount of Shares to be sold by the Manager on such day (in any event not in excess of the amount then

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available for sale under the Prospectus and the currently effective Registration Statement) and the minimum price per Share at which such Shares may be sold. Subject to the terms and conditions hereof, the Manager shall use its commercially reasonable efforts to sell as sales agent for the Forward Purchaser all of the Shares so designated by the Company. The Company and the Manager each acknowledge and agree that (A) there can be no assurance that the Manager will be successful in selling the Shares, (B) the Manager will incur no liability or obligation to the Company or any other person or entity if it does not sell Shares for any reason other than a failure by the Manager to use its commercially reasonable efforts consistent with its normal trading and sales practices and applicable law and regulations to sell such Shares as required by this Agreement, and (C) the Manager shall be under no obligation to purchase Shares on a principal basis.

(c) Notwithstanding the foregoing, the Company shall not authorize the sale of, and the Manager shall not be obligated to use its commercially reasonable efforts to sell, any Shares (i) at a price lower than the minimum price therefor authorized from time to time, or (ii) having an aggregate offering price in excess of the aggregate offering price of Shares authorized from time to time to be issued and sold under this Agreement, in each case, by the Company's board of directors, or a duly authorized committee thereof, and notified to the Manager in writing. In addition, the Company or the Manager may, upon notice to the other party hereto by telephone (confirmed promptly by telecopy or email, which confirmation will be promptly acknowledged), suspend the offering of the Shares for any reason and at any time; provided, however, that such suspension shall not affect or impair the parties' respective obligations with respect to the Shares sold hereunder prior to the giving of such notice. Under no circumstances shall the aggregate offering price of Shares sold pursuant to this Agreement and the Additional Distribution Agency Agreement exceed the aggregate offering price of Shares set forth in the "Introductory" paragraph of this Agreement or the aggregate offering price of Common Stock available for sale under the currently effective Registration Statement. Notwithstanding any of the provisions of this Agreement, in the event that either (i) the Forward Purchaser is unable to borrow and deliver any Shares for sale under this Agreement or (ii) in the sole judgment of the Forward Purchaser, it is either impracticable to do so or the Forward Purchaser would incur a stock loan cost that is equal to or greater than 75 basis points per annum to do so, then the Manager shall only be required to sell on behalf of the Forward Purchaser the aggregate number of Shares that the Forward Purchaser is able to, and that it is practicable to, so borrow below such cost.

(d) The Company agrees that any offer to sell, any solicitation of an offer to buy, or any sales of Shares pursuant to this Agreement or the Additional Distribution Agency Agreement shall be effected by or through only one of the Manager or the Additional Manager on any single day, but in no event by both, and the Company shall in no event request that the Manager and the Additional Manager sell Shares on the same day.

(e) If either party reasonably believes that the exemptive provisions set forth in Rule 101(c)(1) of Regulation M under the 1934 Act are not satisfied with respect to the Company or the Shares, it shall promptly notify the other party and sales of Shares under this Agreement shall be suspended until that or other exemptive provisions have been satisfied in the judgment of each party.

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(f) The Manager shall not make any sales of Shares on behalf of the Forward Purchaser other than by means of ordinary brokers' transactions in accordance with Rule 153 of the 1933 Act Regulations.

(g) The gross sales price of any Shares sold pursuant to this Agreement shall be the market or other price agreed to by the Company and the Manager for Shares sold by the Manager under this Agreement at the time of such sale. The compensation payable to the Manager for sales of Shares shall be deemed to equal the difference between such gross proceeds and the amount payable by the Forward Purchaser to the Company under the Confirmation(s), assuming full physical settlement of the Confirmation(s) based on the Initial Forward Price (as such term is defined in the Confirmation(s)). The amount payable by the Forward Purchaser to the Company under the Confirmation(s), assuming full physical settlement of the Confirmation(s) based on the Initial Forward Price, subject to the price adjustment and other provisions of the Confirmation(s) shall constitute the net proceeds to the Company for such Shares (the "Net Proceeds").

(h) The Manager shall provide written confirmation (which may be by telecopy or email) to the Company following the close of trading on the NYSE each day on which Shares are sold under this Agreement setting forth the number of Shares sold on such day, the price or prices at which such Shares were sold on such day, the aggregate gross sales proceeds of the Shares, the Net Proceeds to the Company and the compensation payable by the Company to the Manager with respect to such sales.

(i) Settlement for sales of Shares pursuant to this Section 2 will occur on the third business day that is also a Trading Day following the trade date on which such sales are made, unless another date shall be agreed to by the Company and the Manager (each such day, a "Settlement Date"). On each Settlement Date, the Shares sold through the Manager for settlement on such date shall be delivered by the Forward Purchaser to the Manager.

(j) Notwithstanding any other provision of this Agreement, the Company and the Manager agree that no sales of Shares shall take place, and the Company shall not request the sale of any Shares that would be sold, and the Manager shall not be obligated to sell, (A) during any period starting on the first day of each fiscal quarter of the Company and ending on the day on which the Company's insider trading policy, as it exists on the date of the Agreement, does not prohibit the purchases or sales of the Company's Common Stock by its officers or directors, or (B) during any other period in which the

Prospectus or any amendment or supplement thereto includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) At each Applicable Time and on each Settlement Date, each date the Registration Statement or the Prospectus shall be amended or supplemented (other than a prospectus supplement to the Prospectus included as part of the Registration Statement filed pursuant to Rule 424(b) of the 1933 Act Regulations relating solely to the offering of securities other than the Shares) (a "Registration Statement Amendment Date") and each date the Company files an Annual Report on Form 10-K or a Quarterly Report on Form 10-Q or an amendment to any such document (a "Company Periodic Report Date"), the Company shall be

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deemed to have affirmed each representation and warranty (except for the representation and warranty in Section 1(l) hereof, which the Company shall be deemed to have affirmed only at each Company Periodic Report Date) and its compliance with each covenant and other agreement contained in this Agreement (unless the Company shall have notified the Manager to the contrary in writing). The Company shall cause a senior corporate officer of the Company from time to time designated by the Company (which senior corporate officer shall initially be one of the senior corporate officers specified in Exhibit C hereto) to respond via electronic mail to a communication from the Manager in the form set forth in Exhibit C hereto when, during the term of this Agreement, the Company shall have received such a communication. Any obligation of the Manager to use its commercially reasonable efforts to sell the Shares on behalf of the Forward Purchaser shall be subject to, as determined in the reasonable discretion of the Manager, the continuing accuracy of the representations and warranties of the Company, the compliance by the Company with each covenant contained herein, the performance by the Company of its obligations hereunder and the continuing satisfaction of the additional conditions specified in Section 4 of this Agreement.

Section 3. Covenants of the Company. The Company hereby covenants and agrees with the Manager that:

(a) During the period beginning on the date hereof and ending on the date, as determined in the reasonable discretion of the Manager, that a prospectus is no longer required by law to be delivered in connection with the offering or sales of the Shares by the Manager or any dealer (whether physically or through compliance with Rule 153 or 172 of the 1933 Act Regulations, or in lieu thereof, a notice referred to in Rule 173(a) of the 1933 Act Regulations) (the "Prospectus Delivery Period");

(i) the Company will notify the Manager promptly in writing of the time when any subsequent amendment to the Registration Statement has become effective or any amendment to the Registration Statement or any subsequent supplement to the Prospectus has been filed;

(ii) the Company will prepare and file with the Commission any material required to be filed with the Commission pursuant to Rule 433(d) of the 1933 Act Regulations and any amendments or supplements to the Registration Statement or the Prospectus that, in the reasonable judgment of the Company, may be necessary or advisable in connection with the offering of the Shares by the Manager;

(iii) the Company will comply with Rule 430B; provided, however, that the Company will not file any amendment to the Registration Statement or supplement to the Prospectus unless a copy thereof has been submitted to the Manager a reasonable period of time before filing with the Commission or if the Manager reasonably objects to such filing in writing, in each case excluding an amendment by incorporated report filed pursuant to Section 13 or 15(d) of the 1934 Act.

(iv) the Company will file promptly all reports and any definitive proxy or information statements required to be filed by the Company with the Commission

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pursuant to Section 13, 14 or 15 of the 1934 Act and will advise the Manager of any such filing;

(v) the Company will furnish to the Manager at the time of filing thereof, a copy of any document that upon filing is deemed to be incorporated by reference in the Registration Statement or the Prospectus; and

(vi) the Company will cause each amendment or supplement to the Prospectus to be filed with the Commission as required pursuant to the applicable paragraph of Rule 424(b) of the 1933 Act Regulations or, in the case of any document to be incorporated therein by reference, to be filed with the Commission as required pursuant to the 1934 Act, within the prescribed time period.

(b) The Company shall pay the required Commission filing fees relating to the Shares within the time required by Rule 456(b)(1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1933 Act Regulations.

(c) The Company will promptly advise the Manager of the receipt of any comments of or request by the Commission for any amendment or supplement to the Registration Statement or the Prospectus, including the documents incorporated by reference therein, or for additional or supplemental information with respect thereto or of notice of institution of proceedings for the entry of a stop order suspending the effectiveness of the Registration Statement by the Commission or of any examination pursuant to Section 8(e) of the 1933 Act concerning the Registration Statement or of any order or notice preventing or suspending the use of the Registration Statement, any preliminary prospectus or the Prospectus, or of any proceedings to remove, suspend or terminate from listing or quotation the Common Stock from any securities exchange upon which it is listed for trading or included or designated for quotation, or of the threatening or initiation of any proceedings for any of such purposes. The Company shall use its best efforts to prevent the issuance of any such stop order or notice of prevention or suspension of such use. If the Commission shall enter any such stop order or issue any such notice at any time, the Company will use its best efforts to obtain the lifting or reversal of such order or notice at the earliest possible moment, or will file an amendment to the Registration Statement or a new registration statement in a form satisfactory to the Manager and use its best efforts to have such amendment or new registration statement become effective as soon as practicable.

(d) The Company will make available to the Manager and from time to time furnish to the Manager, at the Company's expense, copies of the Prospectus (or the Prospectus as amended or supplemented if the Company shall have made any amendments or supplements thereto after the effective date of the Registration Statement) in such quantities and at such locations as the Manager may reasonably request for the purposes contemplated by the 1933 Act.

(e) The Company will promptly notify the Manager to suspend the offering of Shares upon the happening of any event known to the Company during the Prospectus Delivery Period or otherwise prior to the final Settlement Date which, in the reasonable judgment of the Company, would require the making of any change in the Registration Statement or in the

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Prospectus then being used, or in the information incorporated by reference therein, so that the Registration Statement and the Prospectus would not include an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. During such time period, the Company will prepare and furnish, at the Company's expense, to the Manager promptly such amendments or supplements to such Registration Statement and Prospectus as may be necessary to reflect any such change and will furnish the Manager with a copy of such proposed amendment or supplement before filing any such amendment or supplement with the Commission. If at any time following issuance of an Issuer Free Writing Prospectus there occurred or occurs an event or development as a result of which such Issuer Free Writing Prospectus conflicted or would conflict with the information contained in the Registration Statement (or any other registration statement relating to the Shares) or the Prospectus or any preliminary prospectus or included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances prevailing at that subsequent time, not misleading, the Company will promptly notify the Manager and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission.

(f) The Company will furnish such information as may be required and otherwise will cooperate in qualifying the Shares for offering and sale under the securities or blue sky laws of such jurisdictions as the Manager may designate and to maintain such qualifications in effect so long as required for the distribution of the Shares; provided that the Company shall not be required to qualify as a foreign corporation or to consent to the service of process under the laws of any such jurisdiction (except service of process with respect to the offering and sale of the Shares). The Company will promptly advise the Manager of the receipt by the Company of any notification with respect to the suspension of the qualification of the Shares for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(g) Prior to the final Settlement Date, the Company will furnish to the Manager (i) copies of any reports or other communications which the Company shall send directly to its stockholders or shall from time to time publish or publicly disseminate, (ii) copies of all annual, quarterly and current reports filed with the Commission on Forms 10-K, 10-Q and 8-K, or such other similar form as may be designated by the Commission, (iii) copies of any financial statements or reports filed with any national securities exchange on which any class of securities of the Company is listed, and (iv) such other information as the Manager may reasonably request regarding the Company, in each case as soon as such reports, communications, documents or information becomes available. Where in any part of this Agreement there is an obligation on the part of the Company to deliver a document to the Manager, such obligation shall be deemed satisfied if such document shall have been filed on the Commission's EDGAR system.

(h) The Company will make generally available to its stockholders as soon as practicable, and in the manner contemplated by Rule 158 of the 1933 Act Regulations but in any event not later than 15 months after the end of the Company's current fiscal quarter, an earnings statement (which need not be audited) covering a 12 month period beginning after the date upon which a prospectus supplement is filed pursuant to Rule 424(b) of the 1933 Act Regulations that

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shall satisfy the provisions of Section 11(a) of the 1933 Act and Rule 158 of the 1933 Act Regulations.

(i) Whether or not the transactions contemplated hereunder are consummated or this Agreement is terminated, the Company will pay all of its costs, expenses, fees and taxes incident to the performance of its obligations hereunder, including, but not limited to, such costs, expenses, fees and taxes in connection with (i) the preparation and filing of the Registration Statement, the Prospectus, each prospectus supplement filed by the Company in connection with the offering and sale of Shares by the Manager under this Agreement and any amendments or supplements thereto and the printing and furnishing of copies of each thereof to the Manager (including costs of mailing and shipment), (ii) the producing, word processing and/or printing of this Agreement, the Confirmation(s), any power of attorney and any closing documents (including compilations thereof) and the reproduction and/or printing and furnishing of copies of each thereof to the Manager (including costs of mailing and shipment), (iii) the qualification of the Shares for offering and sale under state laws and the determination of their eligibility for investment under state law as aforesaid (including the reasonable legal fees and filing fees and other disbursements of counsel for the Manager) and the preparation, printing and furnishing of copies of any blue sky surveys to the Manager, (iv) the listing of the Settlement Shares on the NYSE, (v) any filing for review of the public offering of the Shares by FINRA, (vi) the fees and disbursements of the Company's counsel and accountants, (vii) the performance of the Company's other obligations hereunder, (viii) the costs and expenses (including without limitation any damages or other amounts payable in connection with legal or contractual liability) associated with the reforming of any contracts for sale of the Shares made by the Manager caused by a breach of the representation contained in the first paragraph of Section 1(e), and (ix) the registration, issue, sale and delivery of the Settlement Shares. The Manager will pay its own out-of-pocket costs and expenses incurred in connection with entering into this Agreement and the transactions contemplated by this Agreement, including, without limitation, travel, reproduction, printing and similar expenses as well as the fees and disbursements of its legal counsel.

(j) The Company will use the Net Proceeds from the sale of the Shares in the manner set forth in the Prospectus.

(k) The Company will not sell, offer or agree to sell, contract to sell, pledge, register, grant any option to purchase or otherwise dispose of, directly or indirectly, any shares of capital stock or securities convertible into or exchangeable, exercisable or redeemable for capital stock or warrants or other rights to purchase capital stock, except (i) for the registration of the Shares and the sales of Shares through the Manager or the Additional Manager pursuant to this Agreement or the Additional Distribution Agreement, respectively, (ii) for shares of Common Stock issued pursuant to existing options, employee benefit agreements or incentive stock or director stock unit plans, (iii) any shares of Common Stock or other securities issued as consideration for investments in or acquisitions of entities involved in investment advisory or investment management activities or other financial services related business, or (iv) any filing under the 1933 Act relating to any shares of Common Stock on Form S-8 or any issuances of Common Stock thereunder, without (a) giving the Manager at least three business days' prior written notice specifying the nature of the proposed sale and the date of such proposed sale and

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(b) the Manager suspending activity under this program for such period of time as requested by the Company or as deemed appropriate by the Manager in light of the proposed sale.

(l) At any time during the term of this Agreement, the Company will advise the Manager immediately after it shall have received notice or obtain knowledge thereof, of (x) any information or fact that, in the opinion of counsel to the Company, would alter or affect, in any material respect, any opinion, certificate, letter or other document provided to the Manager pursuant to Section 4 of this Agreement or any of the representations or warranties made pursuant to Section 1 of this Agreement or (y) any non-compliance or imminent non-compliance by the Company with any of its covenants or obligations hereunder in any material respect.

(m) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement, on every Monday during the term of this Agreement following a week during which no certificate was furnished pursuant to this Section 3(m) (except for any Monday during any period starting on the first day of each fiscal quarter of the Company and ending on the third business day following the next Company Earnings Report Date) and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date, and each date on which a current report on Form 8-K shall be furnished by the Company under Item 2.02 of such form in respect of a public disclosure or material non-public information regarding the Company's results of operations or financial condition for a completed quarterly or annual fiscal period (a "Company Earnings Report Date") and on such other dates as the Manager shall reasonably request, the Company will furnish or cause to be furnished forthwith to the Manager a certificate dated the date of effectiveness of such amendment, the date of filing with the Commission of such supplement or other document or the date of such request, as the case may be, in a form satisfactory to the Manager to the effect that the statements contained in the certificate referred to in Section 4(e) of this Agreement which were last furnished to the Manager are true and correct at the time of such amendment, supplement or filing, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to such time) or, in lieu of such certificate, a certificate of the same tenor as the certificate referred to in said Section 4(e), but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the time of delivery of such certificate. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not furnish or cause to be furnished the certificate on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company furnishes or causes to be furnished such certificate (and any other deliverables that may be due pursuant to the last sentence of Sections 3(n) and 3(o), respectively, of this Agreement).

(n) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date and each Company Earnings Report Date and on such other dates as the Manager shall reasonably request, the Company will furnish

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or cause to be furnished forthwith to the Manager and to counsel to the Manager written opinions and negative assurance letters of Ropes & Gray LLP, dated the date of effectiveness of such amendment, the date of filing with the Commission of such supplement or other document or the date of such request, as the case may be, in a form and substance satisfactory to the Manager and its counsel, of the same tenor as the opinions and negative assurance letters referred to in Section 4(c) of this Agreement, but modified as necessary to relate to the Registration Statement and the Prospectus as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the time of delivery of such opinion, provided that the Company shall not be required to furnish or cause to be furnished the opinion referred to in Section 4(c) other than upon the commencement of the offering of the Shares and each date the Company files an Annual Report on Form 10-K. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not furnish or cause to be furnished the opinion and/or negative assurance letter on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company furnishes or causes to be furnished such opinion and/or negative assurance letter (and any other deliverables that may be due pursuant to the last sentence of Sections 3(m) and 3(o), respectively, of this Agreement); provided that the Company shall be required to furnish an opinion only if the Company has filed an Annual Report on Form 10-K during this suspension period.

(o) Except as provided in the last sentence hereof, upon commencement of the offering of the Shares under this Agreement and promptly after each Registration Statement Amendment Date, each Company Periodic Report Date and each Company Earnings Report Date and on such other dates as the Manager shall reasonably request, the Company will cause PricewaterhouseCoopers LLP to furnish to the Manager a letter, dated the date of effectiveness of such amendment, the date of filing of such supplement or other document with the Commission or the date of such request, as the case may be, in form satisfactory to the Manager and its counsel, of the same tenor as the letter referred to in Section 4(d) hereof, but modified as necessary to relate to the Registration Statement and the Prospectus, as amended and supplemented, or to the document incorporated by reference into the Prospectus, to the date of such letter. As used in this paragraph, to the extent there shall be an Applicable Time on or following the dates referred to above, promptly shall be deemed to be such Applicable Time. The delivery requirements in this Section shall be suspended after the maximum number of Shares authorized to be issued and sold under this Agreement have been sold under this agreement and the Additional Distribution Agency Agreement, in the aggregate. To the extent that the Company does not cause PricewaterhouseCoopers LLP to furnish the letter on a date identified above, the Manager's obligations to effect sales under this Agreement shall be suspended until such time that the Company causes PricewaterhouseCoopers LLP to furnish such letter (and any other deliverables that may be due pursuant to the last sentence of Sections 3(m) and 3(n), respectively, of this Agreement).

(p) The Company acknowledges that the Manager will be trading the Company's Common Stock for the Manager's own account and for the account of its clients at the same time as sales of Shares occur pursuant to this Agreement.

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(q) If any condition set forth in Section 4(a) or 4(g) hereof shall not have been satisfied on the applicable Settlement Date, the Manager, at the direction of the Company, will offer to any person who has agreed to purchase Shares pursuant to the offering contemplated by this Agreement as the result of an offer to purchase solicited by the Manager the right to refuse to purchase and pay for such Shares.

(r) The Company will disclose in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, as applicable, the number of Shares sold through the Manager under this Agreement and through the Additional Manager under the Additional Distribution Agency Agreement, the Net Proceeds from such sales and the compensation deemed paid by the Company with respect to sales of Shares pursuant to this Agreement and the Additional Distribution Agency Agreement during the relevant period.

(s) The Company will use its best efforts to cause the Settlement Shares to be listed on the NYSE and to maintain such listing and to file with the NYSE all documents and notices required by the NYSE of companies that have securities that are listed on the NYSE, it being understood that the Manager shall not be obligated to effect any sales of Shares in an amount exceeding the number of Settlement Shares that have been approved for listing on the NYSE.

(t) The Company will not (i) take, directly or indirectly, any action designed to stabilize or manipulate the price of any security of the Company, or which may cause or result in, or which might in the future reasonably be expected to cause or result in, the stabilization or manipulation of the price of any security of the Company, to facilitate the sale or resale of any of the Shares, (ii) bid for or purchase, or pay any person (other than as contemplated by the provisions of this Agreement) any compensation for, soliciting purchases of the Shares, or (iii) pay or agree to pay to any person any compensation for soliciting any order to purchase any security that is a "reference security" with respect to the Common Stock of the Company (within the meaning of Regulation M under the 1934 Act) other than as contemplated by the provisions of this Agreement, in each case, during any "restricted period" within the meaning of Regulation M under the 1934 Act.

(u) The Company will comply with all of the provisions of any undertakings in the Registration Statement.

(v) The Company will cooperate timely with any reasonable due diligence review conducted by the Manager or its counsel from time to time in connection with the transactions contemplated hereby, including, without limitation, providing information and making available documents and senior corporate officers, during regular business hours and at the Company's principal offices, at such times as the Manager may reasonably request. If the Manager shall so request of one of the senior corporate officers of the Company specified in Exhibit C by 3:00 p.m. Eastern Time on any business day, the Company shall either (i) make available one or more senior corporate officers of the Company for interview due diligence at 9:00 a.m. Eastern Time on the next following business day or (ii) direct the Manager to cease offers and sales of the Shares until such time as such senior corporate officer or officers of the Company shall be made available for such purposes. Further, the Company shall make available a Senior Vice President

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and counsel of the Company for interview due diligence at 9:00 a.m. Eastern Time on the 15th calendar day of the third month of each fiscal quarter of the Company.

(w) The Company represents and agrees that, unless it obtains the prior consent of the Manager, it has not made and will not make any offer relating to the Shares that would constitute an Issuer Free Writing Prospectus or that would otherwise constitute a "free writing prospectus," as defined in Rule 405, whether or not required to be filed with the Commission. Any such free writing prospectus consented to by the Company and the Manager is hereinafter referred to as a "Permitted Free Writing Prospectus." The Company represents that it has treated or agrees that it will treat each Permitted Free Writing Prospectus as an Issuer Free Writing Prospectus and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping.

(x) The Company agrees that it will not claim that the Manager has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Company, in connection with such transaction or the process leading thereto.

Section 4. Conditions of Manager's Obligations. The obligations of the Manager hereunder are subject to (i) the accuracy of the representations and warranties on the part of the Company on the date hereof and as of each Registration Statement Amendment Date, Company Earnings Report Date, Company Periodic Report Date, Applicable Time and Settlement Date, (ii) the performance by the Company of its obligations hereunder and (iii) the following additional conditions precedent:

(a) (i) No stop order with respect to the effectiveness of the Registration Statement shall have been issued under the 1933 Act or the 1933 Act Regulations or proceedings initiated under Section 8(d) or 8(e) of the 1933 Act and no order directed at any document incorporated by reference therein and no order preventing or suspending the use of the Prospectus has been issued by the Commission, and no suspension of the qualification of the Shares for offering or sale in any jurisdiction, or to the knowledge of the Company or the Manager of the initiation or threatening of any proceedings for any of such purposes, has occurred; (ii) the Registration Statement and all amendments thereto, or modifications thereof, if any, shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; (iii) the Prospectus and all amendments or supplements thereto, or modifications thereof, if any, and the General Disclosure Package shall not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading, (iv) the Company shall have filed the Prospectus, and any amendments and supplements thereto, with the Commission (including the information required by Rule 430B) in the manner and within the time period required by the 1933 Act and the 1933 Act Regulations, and any post-effective amendment thereto containing the information required by Rule 430B shall have become effective, and (v) all material required to be filed by the Company pursuant to Rule 433(d) shall have been filed with the Commission within the applicable time periods prescribed for such filings under Rule 433.

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(b) In the judgment of the Manager, there shall not have occurred any Material Adverse Effect.

(c) The Company shall cause to be furnished to the Manager, on every date specified in Section 3(n) hereof (except as provided in the last sentence of Section 3(n)), the opinion and negative assurance letter of Ropes & Gray LLP addressed to the Manager, dated as of such date, in form

satisfactory to the Manager and its counsel, substantially in the form of Exhibit B-1 and Exhibit B-2 attached hereto.

(d) The Company shall cause to be furnished to the Manager, on every date specified in Section 3(o) hereof (except as provided in the last sentence of Section 3(o)), from PricewaterhouseCoopers LLP letters dated the date of delivery thereof and addressed to the Manager in form and substance satisfactory to the Manager and its counsel, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements of the Company and its subsidiaries included or incorporated by reference in the Registration Statement.

(e) The Company shall furnish to the Manager, on each date specified in Section 3(m) hereof (except as provided in the last sentence of Section 3(m)), a certificate of two of its executive officers to the effect that (i) the representations and warranties of the Company as set forth in this Agreement are true and correct as of the date of such certificate (the "Certificate Date"), (ii) the Company shall have performed such of its obligations under this Agreement as are to be performed at or before each such Certificate Date, and (iii) the conditions set forth in paragraphs (a) and (b) of this Section 4 have been met.

(f) On the date hereof, the Manager shall have received the opinion of Cleary Gottlieb Steen & Hamilton LLP dated the date hereof and addressed to the Manager in form and substance satisfactory to the Manager. On every date specified in Section 3(n) hereof, the Manager shall have received a negative assurance letter of Cleary Gottlieb Steen & Hamilton LLP, dated as of such date, in form and substance satisfactory to the Manager.

(g) All filings with the Commission required by Rule 424 of the 1933 Act Regulations to have been filed by each Applicable Time or related Settlement Date, as the case may be, shall have been made within the applicable time period prescribed for such filing by Rule 424 (without reliance on Rule 424(b)(8)).

(h) The Settlement Shares shall have been approved for listing on the NYSE, subject to official notice of issuance. The Manager acknowledges that as of the date of this Agreement, 3,500,000 shares of Common Stock have been approved for listing on the NYSE and an application for listing an additional 1,000,000 shares of Common Stock has been submitted to the NYSE.

(i) The Company shall have furnished to the Manager such other documents and certificates as to the accuracy and completeness of any statement in the Registration Statement, the Prospectus and the General Disclosure Package as of each Settlement Date as the Manager may reasonably request.

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(j) The Company shall have paid the required Commission filing fees relating to the Shares within the time period required by Rule 456(b) (1)(i) of the 1933 Act Regulations without regard to the proviso therein and otherwise in accordance with Rules 456(b) and 457(r) of the 1933 Act Regulations.

(k) FINRA shall not have raised any objection with respect to the fairness and reasonableness of the terms and arrangements under this Agreement.

(l) No amendment or supplement to the Registration Statement or Prospectus, including documents deemed to be incorporated by reference therein, shall be filed to which the Manager objects in writing.

(m) Since the later of the time of execution of this Agreement and the most recent Applicable Time, there shall not have occurred any downgrading, nor shall any notice or announcement have been given or made of (i) any intended or potential downgrading or (ii) any review or possible change that does not indicate an improvement, in the rating accorded any securities of or guaranteed by the Company by any "nationally recognized statistical rating organization," as that term is defined in Rule 436(g)(2) of the 1933 Act Regulations.

Section 5. Indemnification.

(a) Indemnification of Manager and Forward Purchaser. The Company agrees to indemnify and hold harmless the Manager and the Forward Purchaser, each of their directors, officers, employees and agents, and each person, if any, who controls the Manager or the Forward Purchaser within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact contained in any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 5(d) below) any such settlement is effected with the written consent of the Company; and

(iii) against any and all expense whatsoever, as incurred (including the reasonable fees and disbursements of counsel chosen by the Manager), reasonably

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incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with the Manager Information.

(b) Indemnification of Company, Directors and Officers. The Manager and the Forward Purchaser severally and not jointly agree to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by the Manager expressly for use therein. The Company acknowledges that (i) the statements set forth in the fifth sentence of the first paragraph under the caption "Plan of Distribution" in the Prospectus Supplement concerning transactions that stabilize the Common Stock; (ii) the statements set forth in the first sentence of the second paragraph under the caption "Plan of Distribution" in the Prospectus Supplement concerning solicitations of offers to purchase the Shares; and (iii) the Manager's name on the front cover page of the Prospectus Supplement, on the back cover page of the Prospectus and under the caption "Plan of Distribution" in the Prospectus Supplement constitute the only information furnished in writing by or on behalf of the Manager for inclusion in the Registration Statement (or any amendment thereto) or any Issuer Free Writing Prospectus, the General Disclosure Package or the Prospectus (or any amendment or supplement thereto) (the "Manager Information").

(c) Actions against Parties; Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 5(a) above, counsel to the indemnified parties shall be selected by the Manager, and, in the case of parties indemnified pursuant to Section 5(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action; provided, however, that counsel to the indemnifying party shall not (except with the consent of the indemnified party) also be counsel to the indemnified party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the

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some general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 5 or Section 6 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 5(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement. Notwithstanding the immediately preceding sentence, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, an indemnifying party shall not be liable for any settlement of the nature contemplated by Section 5(a)(ii) effected without its consent if such indemnifying party (i) reimburses such indemnified party in accordance with such request to the extent it considers such request to be reasonable and (ii) provides written notice to the indemnified party substantiating the unpaid balance as unreasonable, in each case prior to the date of such settlement.

(e) Additional Liability. The obligations of the Company under this Section 5 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to the directors and officers of the Manager and to each person, if any, who controls the Manager within the meaning of the 1933 Act and each broker-dealer affiliate of the Manager; and the obligations of the Manager under this Section 5 shall be in addition to any liability which the Manager may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company and to each person, if any, who controls the Company within the meaning of the 1933 Act.

Section 6. Contribution. If the indemnification provided for in Section 5 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Manager and the Forward Purchaser on the other hand from the offering of the Shares pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Manager and the Forward

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Purchaser on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Forward Purchaser and the Manager on the other hand in connection with the offering of the Shares pursuant to this Agreement shall be deemed to be in the same respective proportions as (i) the Net Proceeds from the offering of the Shares pursuant to this Agreement (before deducting expenses and, for the avoidance of doubt, without including proceeds from the offering of Shares pursuant to the Additional Distribution Agency Agreement) received by the Company (which shall be deemed to include the proceeds that would be received by the Company upon physical settlement of the Confirmation(s) assuming that the aggregate amount payable by the Forward Purchaser under the

Confirmation(s) is equal to the aggregate amount of the Net Proceeds realized upon the sale of the Shares) and (ii) the aggregate proceeds received by the Forward Purchaser and the Manager from the sale of the Shares less the aggregate Net Proceeds.

The relative fault of the Company on the one hand and the Forward Purchaser and the Manager on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Forward Purchaser and the Manager and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Manager agree that it would not be just and equitable if contribution pursuant to this Section 6 were determined by *pro rata* allocation or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 6. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 6 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 6, the Manager shall not be required to contribute any amount in excess of the total compensation received by the Manager in connection with the sale of Shares on behalf of the Forward Purchaser.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 6, the person, if any, who controls the Manager within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and the Manager's Affiliates shall have the same rights to contribution as such Manager, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company.

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Section 7. Representations, Warranties and Agreements to Survive Delivery. The respective indemnities, agreements, representations, warranties and other statements of the Company and the Manager, as set forth in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall remain in full force and effect, regardless of any investigation (or any statement as to the results thereof) made by or on behalf of the Manager or any controlling person of the Manager, or the Company, or any officer or director or controlling person of the Company, and shall survive delivery of and payment for the Shares.

Section 8. Termination.

(a) The Company shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that (i) if Shares have been sold through the Manager, then Section 3(q) shall remain in full force and effect notwithstanding such termination, (ii) with respect to any pending sale through the Manager, the obligations of the Company, including in respect of compensation of the Manager, shall remain in full force and effect notwithstanding such termination and (iii) the provisions of Section 1, Section 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect notwithstanding such termination.

(b) The Manager shall have the right, by giving written notice as hereinafter specified, to terminate this Agreement in its sole discretion at any time. Any such termination shall be without liability of any party to any other party except that the provisions of Section 1, 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect notwithstanding such termination.

(c) This Agreement shall remain in full force and effect unless terminated pursuant to Section 8(a) or (b) above or otherwise by mutual agreement of the parties or upon settlement of the sale of all the Shares in the aggregate in one or more offerings; provided that any such termination by mutual agreement or pursuant to this clause (c) shall in all cases be deemed to provide that Section 1, Section 3(i), Section 5 and Section 6 of this Agreement shall remain in full force and effect.

(d) Any termination of this Agreement shall be effective on the date specified in such notice of termination; provided that such termination shall not be effective until the close of business on the date of receipt of such notice by the Manager or the Company, as the case may be. If such termination shall occur prior to the Settlement Date for any sale of Shares, such sale shall settle in accordance with the provisions of Section 2(i) hereof.

Section 9. Notices. Except as otherwise herein provided, all statements, requests, notices and agreements shall be in writing and delivered by hand, overnight courier, mail or facsimile and, if to the Manager, shall be sufficient in all respects if delivered or sent to Deutsche Bank Securities Inc., 60 Wall Street, New York, NY 10005, 60 Wall Street, 4th Floor, New York, NY 10005, Attention: ECM Syndicate Desk (facsimile: 212-797-9344), with a copy to the General Counsel (facsimile: 212-797-4564); if to the Company, it shall be sufficient in all respects if delivered or sent to the Company at the offices of the Company at 600 Hale Street, Prides Crossing, MA 01965, Attention: Chief Financial Officer. Each party to this Agreement

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may change such address for notices by sending to the parties to this Agreement written notice of a new address for such purpose.

Section 10. Parties. The Agreement herein set forth has been and is made solely for the benefit of the Manager, the Forward Purchaser and the Company and to the extent provided in Section 5 hereof of the controlling persons, directors and officers referred to in such section, and their respective successors, assigns, heirs, personal representatives and executors and administrators. No other person, partnership, association or corporation (including a purchaser, as such purchaser, from any of the Manager) shall acquire or have any right under or by virtue of this Agreement.

Section 11. Adjustments For Stock Splits. The parties acknowledge and agree that all share related numbers contained in this Agreement shall be adjusted to take into account any stock split effected with respect to the Shares.

Section 12. Counterparts. This Agreement may be executed by any one or more of the parties hereto and thereto in any number of counterparts, each of which shall be deemed to be an original, but all such respective counterparts shall together constitute one and the same instrument. This Agreement may be delivered by any party by facsimile or other electronic transmission.

Section 13. Time of the Essence. Time shall be of the essence of this Agreement. As used herein, the term "business day" shall mean any day when the Commission's office in Washington, D.C. is open for business.

Section 14. Waiver of Jury Trial. The Company and the Manager hereby irrevocably waive, to the fullest extent permitted by applicable law, any and all right to jury trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 15. Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS PRINCIPLES OF CONFLICTS OF LAW.

Section 16. Headings. The Section headings in this Agreement have been inserted as a matter of convenience of reference and are not a part of this Agreement.

Section 17. Successors and Assigns. This Agreement shall be binding upon the Manager and the Company and their successors and assigns and any successor or assign of any substantial portion of the Company's and any of the Manager's respective businesses and/or assets.

Section 18. Severability. The invalidity or unenforceability of any Section, paragraph or provision of this Agreement shall not affect the validity or enforceability of any other Section, paragraph or provision hereof. If any Section, paragraph or provision of this Agreement is for any reason determined to be invalid or unenforceable, there shall be deemed to be made such minor changes (and only such minor changes) as are necessary to make it valid and enforceable.

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Section 19. Entire Agreement. This Agreement constitutes the entire agreement and supersedes all other prior and contemporaneous agreements and undertakings, both written and oral, among the parties hereto with regard to the subject matter hereof.

[Remainder of this page intentionally left blank]

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Manager and the Company in accordance with its terms.

Very truly yours,

Affiliated Managers Group, Inc.

By: /s/ John Kingston, III
Name: John Kingston, III
Title: Vice Chairman, General Counsel
and Secretary

Accepted as of the date hereof:

Deutsche Bank Securities Inc.

By: /s/ Jeff Mortara
Name: Jeff Mortara
Title: Managing Director

By: /s/ Neil Abromavage
Name: Neil Abromavage
Title: Managing Director

Deutsche Bank AG, London Branch

By: /s/ Michale Sanderson
Name: Michale Sanderson

Title: Managing Director

By: /s/ Lars Kestner

Name: Lars Kestner

Title: Managing Director

[Signature Page DAA]

Exhibit A

CONFIRMATION

Separately filed as Exhibit 10.5

Exhibit B-1

FORM OF OPINION OF
ROPES & GRAY LLP

August 8, 2012

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036

Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005

Re: Affiliated Managers Group, Inc.

Ladies and Gentlemen:

We have acted as counsel to Affiliated Managers Group, Inc. (the "Company") in connection with the issuance and sale of shares of its Common Stock, \$.01 par value per share (the "Common Stock") with an aggregate value of up to \$400,000,000. We are furnishing this opinion to you pursuant to Section 4(c) of each of the substantially identical Amended and Restated Distribution Agency Agreements, dated as of August 8, 2012 (the "Distribution Agency Agreements"), between Affiliated Managers Group, Inc., a Delaware corporation (the "Company"), and each of you (the "Managers"). Capitalized terms that are used and not defined in this opinion letter have the meanings given to them in the Distribution Agency Agreements.

In connection with this opinion letter, we have examined the following documents:

(a) a Registration Statement on Form S-3 (File No. 333-168627) filed by the Company with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "1933 Act") and automatically effective on August 6, 2010, as amended by a Post-Effective Amendment to the Registration Statement on Form S-3 (File No. 333-168627) filed with the Commission on July 26, 2011 (the "Registration Statement");

(b) a prospectus supplement filed with the Commission on August 8, 2012 (the "Prospectus Supplement"), relating to the offering of the Common Stock pursuant to the

Distribution Agency Agreements. The prospectus included in the Registration Statement and the Prospectus Supplement are referred to herein as the "Prospectus";

(c) The Distribution Agency Agreements;

(d) the Confirmation dated as of August 8, 2012 between the Company and Deutsche Bank AG, London Branch (the "DB Confirmation") and the Confirmation dated as of August 8, 2012 between the Company and Bank of America, N.A. (the "BAML Confirmation", and together with the DB Confirmation, the "Confirmations")

The Distribution Agency Agreements and the Confirmations are collectively referred to herein as the "Company Agreements."

We have examined such certificates, documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinions set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

The opinions expressed herein are limited to matters governed by the Commonwealth of Massachusetts, the State of New York, the Delaware General Corporation Law, and the federal laws of the United States of America (collectively, the “Covered Laws”).

For purposes of our opinion expressed as to the registration of each Adviser Subsidiary under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), we have relied exclusively on a review of the Commission’s Investment Adviser Public Disclosure website.

For the purposes of our opinion expressed in paragraph 8, we assume that the Pricing Committee of the Board of Directors will have approved the sale of the shares of Common Stock that are the basis for the issuance of the Settlement Shares (as defined in the Confirmations) and that the Company will receive at least the par value per share for such issuance.

Based upon and subject to the foregoing, and subject to the additional qualifications set forth below, we are of the opinion that:

1. The Company is a corporation validly existing and in good standing under the laws of the State of Delaware.
2. The Company has corporate power to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into the Company Agreements.
3. The Company has been duly qualified as a foreign corporation to do business and is in good standing with (i) the Secretary of the Commonwealth of Massachusetts, (ii) the Secretary of State of the State of California, (iii) the Secretary of State of the State of Florida and (iv) the Secretary of State of the State of Missouri.

4. The authorized common stock of the Company is as set forth in the Registration Statement under the caption “Description of Common Stock.”

5. Each domestic (U.S.) subsidiary that the Company has informed us is a “significant subsidiary” as defined in Rule 1-02(w) of Regulation S-X promulgated by the Commission is an existing corporation, limited liability company, limited partnership, general partnership or association with transferable shares (commonly known as a “Massachusetts business trust”), as the case may be; and each such subsidiary which is a corporation, limited liability company, limited partnership or Massachusetts business trust is in good standing under the laws of its jurisdiction of organization.

6. The Company has duly authorized, executed and delivered each of the Company Agreements.

7. Subject to the penultimate paragraph hereof, each of the Confirmations constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms.

8. The Settlement Shares have been duly authorized and, when issued in accordance with the provisions of the respective Confirmation, will be validly issued, fully paid and non-assessable.

9. The issuance of the Settlement Shares is not subject, on the date hereof, to any preemptive right in the Certificate of Incorporation or the By-laws of the Company or the Delaware General Corporation Law.

10. Under the Covered Laws, no consent, approval, license or exemption by, or order or authorization of, or filing, recording or registration with, any governmental authority is required to be obtained or made by the Company in connection with the authorization, execution and delivery of the Company Agreements, or, as of the date hereof, for the issuance of the Settlement Shares in accordance with the Confirmations, except (i) such as have been obtained or made prior to the date hereof, (ii) such as may be required under state securities or “blue sky” laws (as to which we express no opinion).

11. The Registration Statement has become effective upon filing under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) under the 1933 Act has been made within the time period required by Rule 424(b); and, to our knowledge (i) no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and (ii) no proceedings for that purpose have been instituted or are pending or threatened by the Commission under the 1933 Act.

12. The execution, delivery and performance by the Company of the Company Agreements and, as of the date hereof, the issuance and sale of the Settlement Shares (i) will not violate the Certificate of Incorporation or By-Laws of the Company, (ii) will not violate any

provision of any Covered Laws, except that we express no opinion as to federal or state securities or “blue sky” laws, including the antifraud provisions thereof, (iii) will not result in a breach or violation of, or constitute a default under, any contract or agreement or any court order, judgment or decree listed on Exhibit A to this opinion.

13. Each subsidiary of the Company identified on Exhibit B to this opinion (“Adviser Subsidiary”) is registered as an investment adviser under the Advisers Act, and no Adviser Subsidiary is required to be registered, licensed or qualified as an investment adviser under the laws of the Commonwealth of Massachusetts or the State of New York. The Company is not required to register as an investment adviser within the meaning of the Advisers Act and the rules and regulations of the Commission promulgated thereunder.

14. The Company is not required to be registered as an “investment company” under the Investment Company Act of 1940, as amended (the “Investment Company Act”).

15. The consummation of the transactions contemplated by the Company Agreements will not result in an “assignment,” within the meaning of the Advisers Act or the Investment Company Act, of any investment advisory agreement to which the Company or any Adviser Subsidiary is a party.

Our opinion that each of the Confirmations constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, is subject to (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and similar laws affecting the rights

and remedies of creditors generally and (b) general principles of equity and (c) the qualification that, for the provisions contained in each of the Confirmations pertaining to the calculation of payment obligations upon early termination of the transactions subject to the respective Confirmation to be enforceable, the actual damages incurred by the party to whom payment would be owed (determined in accordance with the Confirmations) must be difficult to ascertain and the payment to such party (as so determined) must represent a reasonable estimate of such actual damages or, on the other hand, if such actual damages are easily ascertainable and such payment (as so determined) is unreasonably and grossly disproportionate to such actual damages, or is unconscionably excessive, a court will award such party no more than such actual damages. In addition, we express no opinion (a) as to the extent to which broadly worded waivers or provisions providing for conclusive presumptions or determinations, submission to exclusive jurisdiction, waiver of or consent to service of process and venue, or waiver of offset or defenses will be enforced and (b) as to the application to each of the Confirmations or any transaction under each of the Confirmations or the effect on the legality, validity, binding nature, or enforceability of each of the Confirmations or any transaction under each of the Confirmations of any provision of any Covered Law regulating gambling, betting, gaming, or the existence or operation of so-called "bucket shops".

This opinion letter is being furnished only to you as Managers and is solely for your benefit in connection with the issuance and sale of the Securities. Except as otherwise expressly

consented to by us in writing, this opinion letter may not be relied upon for any other purpose or by any other person.

Very truly yours,

Ropes & Gray LLP

Exhibit B-2

FORM OF NEGATIVE ASSURANCE LETTER OF
ROPES & GRAY LLP

August 8, 2012

Merrill Lynch, Pierce, Fenner & Smith Incorporated
One Bryant Park
New York, NY 10036

Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005

Re: Affiliated Managers Group, Inc.

Ladies and Gentlemen:

We refer to each of the substantially identical Amended and Restated Distribution Agency Agreements dated August 8, 2012, by and among Affiliated Managers Group, Inc., a Delaware corporation (the "Company") and each of you (the "Distribution Agency Agreements"). We have acted as counsel to the Company in connection with the transactions described therein. Terms defined in the Distribution Agency Agreements and not otherwise defined herein are used herein with the meanings so defined.

As counsel to the Company, we have reviewed the Registration Statement and the Prospectus and the documents incorporated by reference therein and participated in discussions with officers and representatives of the Company, representatives of the independent registered public accounting firm for the Company and your representatives and counsel at which discussions the contents of these documents were discussed.

The purpose of our engagement was not to establish or confirm factual matters set forth in the Registration Statement or the General Disclosure Package or the documents incorporated by reference therein, and we have not undertaken any obligation to verify independently any of the factual matters set forth in those documents. Moreover, many of the determinations required to be made in the preparation of such documents involve judgments that are primarily of a non-legal nature.

Subject to the foregoing and on the basis of information that we have gained in the course of our representation of the Company and our participation in the discussions referred to above, we confirm to you that the Registration Statement, as of the most recent effective date established under Rule 430B, and the Prospectus, as of its date, complied as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and that the documents incorporated by reference into the Prospectus, when they were filed with the Commission, complied as to form in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations. In addition, based on the information and participation described above, no facts that have come to our attention have caused us to believe that (i) the Registration Statement, as of the most recent effective date established under Rule 430B, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading or (ii) the General Disclosure Package, as of the time at which this letter is delivered to you, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. We do not, however, assume any responsibility for the accuracy, completeness or fairness of the statements made or the information contained in the Registration Statement or the General Disclosure Package or the documents incorporated by reference therein, except for those statements in the Prospectus under the caption "Description of Common Stock" insofar as they represent descriptions or conclusions of law, descriptions of securities or a summary of documents referred to therein, which fairly summarize in all material respects such descriptions, conclusions or documents.

This letter does not express any view with respect to the financial statements, schedules and other financial or accounting data included or incorporated by reference in the Registration Statement or the General Disclosure Package.

This letter is furnished by us to each of you solely for your benefit in your capacity as a Manager to assist you in establishing defenses under applicable securities laws and may not be relied on for any other purpose or by any person other than you.

Very truly yours,

Ropes & Gray LLP



Deutsche Bank AG, London Branch
 Winchester house
 1 Great Winchester St,
 London EC2N 2DB
 Telephone: 44 20 7545 8000

c/o Deutsche Bank Securities Inc.
 60 Wall Street
 New York, NY 10005
 Telephone: (212) 250-2500

DATE: August 8, 2012

TO: Affiliated Managers Group, Inc.
 600 Hale Street
 Prides Crossing, MA 01965

ATTENTION: Jay C. Horgen
FACSIMILE: (617) 747-3380

FROM: Deutsche Bank AG, London Branch
TELEPHONE: 44 20 7545 0556
FACSIMILE: 44 11 3336 2009

SUBJECT: Registered Forward Transactions

REFERENCE NUMBER(S): As provided in the Pricing Supplement for the particular Transaction

The purpose of this letter agreement (this “**Confirmation**”) is to confirm the terms and conditions of one or more transactions to be entered into between **Deutsche Bank AG, London Branch (“Dealer”)** and **Affiliated Managers Group, Inc. (“Counterparty”)** on the Trade Date(s) referenced below (each, a “**Transaction**”). This Confirmation constitutes a “Confirmation” as referred to in the ISDA Master Agreement specified below. This Confirmation constitutes the entire agreement and understanding of the parties with respect to the subject matter and terms of the Transactions and supersedes all prior or contemporaneous written and oral communications with respect thereto.

DEALER IS NOT REGISTERED AS A BROKER OR DEALER UNDER THE U.S. SECURITIES EXCHANGE ACT OF 1934. DEUTSCHE BANK SECURITIES INC. (“DBSI”) HAS ACTED SOLELY AS AGENT IN CONNECTION WITH THE TRANSACTIONS AND HAS NO OBLIGATION, BY WAY OF ISSUANCE, ENDORSEMENT, GUARANTEE OR OTHERWISE WITH RESPECT TO THE PERFORMANCE OF EITHER PARTY UNDER THE TRANSACTIONS. AS SUCH, ALL DELIVERY OF FUNDS, ASSETS, NOTICES,

NOTICE: This communication may contain information which is confidential and/or legally privileged and is intended only for the addressee named above. If you are not the named addressee, the communication has been sent to you in error and you are asked not to read, use or disclose it. We should be grateful if you would contact us immediately so that we can arrange for its return. Thank you.

Chairman of the Supervisory Board: Dr. Paul Achleitner.

Management Board: Jürgen Fitschen (Co-Chairman), Anshu Jain (Co-Chairman), Stefan Krause, Stephan Leithner, Stuart Lewis, Rainer Neske and Henry Rittchotte.

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin — Federal Financial Supervising Authority) and regulated by the Financial Services Authority for the conduct of UK business; a member of the London Stock Exchange. Deutsche Bank AG is a joint stock corporation with limited liability incorporated in the Federal Republic of Germany HRB No. 30 000 District Court of Frankfurt am Main; Branch Registration in England and Wales BR000005; Registered address: Winchester House, 1 Great Winchester Street, London EC2N 2DB. Deutsche Bank Group online: <http://www.deutsche-bank.com>

DEMANDS AND COMMUNICATIONS OF ANY KIND RELATING TO THE TRANSACTIONS BETWEEN DEALER AND COUNTERPARTY SHALL BE TRANSMITTED EXCLUSIVELY THROUGH DEUTSCHE BANK SECURITIES INC. DEALER IS NOT A MEMBER OF THE SECURITIES INVESTOR PROTECTION CORPORATION (SIPC).

The definitions and provisions contained in the 2002 ISDA Equity Derivatives Definitions (the “**Equity Definitions**”), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Equity Definitions and this Confirmation, this Confirmation shall govern.

Each party is hereby advised, and each such party acknowledges, that the other party has engaged in, or refrained from engaging in, substantial financial transactions and has taken other material actions in reliance upon the parties’ entry into the Transactions to which this Confirmation relates on the terms and conditions set forth below.

This Confirmation and the pricing supplement delivered hereunder for a particular Transaction evidence a complete and binding agreement between Dealer and Counterparty as to the terms of each Transaction to which this Confirmation relates. This Confirmation, together with all other Confirmations of Equity

Contracts (as defined in "Netting and Set-off" below), shall supplement, form a part of, and be subject to an agreement in the form of the ISDA 2002 Master Agreement (the "**Agreement**") as if Dealer and Counterparty had executed an agreement in such form (without any Schedule except for the election of United States dollars ("**USD**") as the Termination Currency and such other elections set forth in this Confirmation). In the event of any inconsistency between the provisions of the Agreement and this Confirmation, this Confirmation will prevail for the purpose of the Transactions to which this Confirmation relates. The parties hereby agree that, other than the Transactions to which this Confirmation relates and any other Equity Contract, no other Transaction shall be governed by the Agreement.

The terms of each Transaction to which this Confirmation relates are as follows:

General Terms:

Trade Date: For the first Transaction governed hereby, the date hereof. For each subsequent Transaction governed hereby, the first Scheduled Trading Day of each calendar quarter commencing with October 1, 2012 and ending with the first Scheduled Trading Day in July 2013, unless prior to the Effective Date for such Transaction, either party notifies the other that there shall not be a Transaction for that calendar quarter.

Effective Date: The first day occurring on or after the applicable Trade Date on which Shares are sold pursuant to the Amended and Restated Distribution Agency Agreement dated as of August 8, 2012 between Counterparty and DBSI (the "**Distribution Agreement**")

Seller: Counterparty

Buyer: Dealer

Shares: The common stock of Counterparty, par value USD 0.01 per share (Ticker Symbol: "AMG")

Number of Shares: For each Transaction, the aggregate number of Shares sold pursuant to the Distribution Agreement during the period from and including the applicable Trade Date through and including the applicable Hedge Completion Date; *provided, however*, that on each Settlement Date, the Number of Shares for such Transaction shall be reduced by the number of Settlement Shares to be settled on such date.

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Hedge Completion Date: For each Transaction, the earliest of (i) the date specified in writing as the Hedge Completion Date for such Transaction by the Counterparty, (ii) any Settlement Date for such Transaction, and (iii) the last Scheduled Trading Day of the calendar quarter in which the Trade Date for such Transaction occurs; *provided* that Counterparty shall be obligated to specify as the Hedge Completion Date the first date after the Effective Date on which Shares are sold pursuant to the Additional Distribution Agency Agreement (as defined in the Distribution Agreement). Promptly after each Hedge Completion Date, Dealer will furnish Counterparty with a pricing supplement (the "**Pricing Supplement**") substantially in the form of Annex A hereto specifying for the relevant Transaction the Number of Shares as of the Hedge Completion Date (the "**Initial Number of Shares**"), the Initial Forward Price and the Final Date, all determined in accordance with the terms hereof.

Initial Forward Price: 98.50% of the volume weighted average price at which the Shares are sold pursuant to the Distribution Agreement during the period from and including the applicable Trade Date through and including the applicable Hedge Completion Date.

Forward Price: (a) On the Hedge Completion Date, the Initial Forward Price; and
(b) on each calendar day thereafter, (i) the Forward Price as of the immediately preceding calendar day *multiplied by* (ii) the sum of 1 and the Daily Rate for such day.

Daily Rate: For any day, (i) (a) USD-Federal Funds Rate for such day *minus* (b) the Spread *divided by* (ii) 365.

USD-Federal Funds Rate: For any day, the rate set forth for such day opposite the caption "Federal funds", as such rate is displayed on the page "FedsOpen <Index><GO>" on the BLOOMBERG Professional Service, or any successor page; *provided* that if no rate appears for a particular day on such page, the rate for the immediately preceding day for which a rate does so appear shall be used for such day.

Spread: 0.95%

Prepayment: Not Applicable

Variable Obligation: Not Applicable

Exchange: The New York Stock Exchange

Related Exchange(s): All Exchanges

Clearance System:	The Depository Trust Company
Market Disruption Event:	Section 6.3(a) of the Equity Definitions is hereby amended by deleting the words “during the one hour period that ends at the relevant Valuation Time, Latest Exercise Time, Knock-in Valuation Time or Knock-out Valuation Time, as the case may be,” in clause (ii) thereof.
Early Closure:	Section 6.3(d) of the Equity Definitions is hereby amended by deleting the remainder of the provision following the term “Scheduled Closing Time” in

the fourth line thereof.

Settlement:

Settlement Currency: USD (all amounts shall be converted to the Settlement Currency in good faith and in a commercially reasonable manner by the Calculation Agent)

Settlement Date: Any Scheduled Trading Day following the first day occurring on or after the applicable Trade Date on which Shares are sold pursuant to the Distribution Agreement and up to and including the applicable Final Date that is either:

- (a) designated by Counterparty as a “**Settlement Date**” by a written notice (a “**Settlement Notice**”) delivered to Dealer no less than (i) one Scheduled Trading Day prior to such Settlement Date and five Scheduled Trading Days prior to such Final Date, if Physical Settlement applies, and (ii) five Scheduled Trading Days prior to such Settlement Date, which may be such Final Date, if Cash Settlement or Net Stock Settlement applies; *provided* that if Cash Settlement or Net Stock Settlement applies, any Settlement Date, including a Settlement Date on the scheduled Final Date, shall be deferred until the date on which Dealer is able to completely unwind its hedge with respect to the portion of the Number of Shares to be settled if Dealer is unable to completely unwind its hedge with respect to the portion of the Number of Shares to be settled during the Unwind Period due to the restrictions of Rule 10b-18 (“**Rule 10b-18**”) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”) agreed to hereunder, the existence of any Suspension Day or Disrupted Day or the lack of sufficient liquidity in the Shares during the Unwind Period (as determined by the Calculation Agent); *provided further* that if Dealer shall fully unwind its hedge with respect to the portion of the Number of Shares to be settled during an Unwind Period by a date that is more than three Scheduled Trading Days prior to a Settlement Date specified above, Dealer may, by written notice to Counterparty, specify any Scheduled Trading Day prior to such original Settlement Date as the Settlement Date; or
- (b) designated by Dealer as a Settlement Date pursuant to the “Acceleration Events” provisions below;

provided that the applicable Final Date will be a Settlement Date if on such date the applicable Number of Shares for which a Settlement Date has not already been designated is greater than zero; *provided further* that if any Settlement Date specified above is not an Exchange Business Day, the Settlement Date shall instead be the next Exchange Business Day; and *provided further* that, following the occurrence of at least three consecutive Suspension Days during an Unwind Period and while such Suspension Days are continuing, Dealer may designate any subsequent Exchange Business Day as the Settlement Date with respect to the portion of the Settlement Shares, if any, for which Dealer has determined an Unwind Purchase Price during such Unwind Period, it being understood that the Unwind Period with respect to the remainder of such Settlement Shares shall recommence on the next succeeding Exchange Business Day that is not a Suspension Day.

Final Date: For each Transaction, the first anniversary of the applicable Hedge Completion Date (or if such day is not a Scheduled Trading Day, the next

following Scheduled Trading Day)

Early Settlement Fee: If a Settlement Date for a Transaction occurs on or prior to the date that is two months after the applicable Hedge Completion Date (an “**Early Unwind Date**”), Counterparty shall pay to Dealer the Early Settlement Fee for such Early Unwind Date; *provided* that no Early Settlement Fee shall be payable if (i) the USD-Federal Funds Rate is less than the Spread on such Early Unwind Date or (ii) such Early Unwind Date occurs as a result of the designation by Dealer of a Settlement Date resulting from an event or events outside Counterparty’s control. “**Early Settlement Fee**” means, for any Early Unwind Date, an amount of cash equal

to (a) the number of Settlement Shares for such Settlement Date *multiplied by* (b) the applicable Initial Forward Price *multiplied by* (c) 0.50% *multiplied by* (d) the number of calendar days in the period from but excluding such Early Unwind Date to and including the applicable Early Settlement Fee Date *divided by* (e) 365.

Settlement Shares:

- (a) With respect to any Settlement Date other than the Final Date, the number of Shares designated as such by Counterparty in the relevant Settlement Notice or designated pursuant to the “Acceleration Events” provisions below, as applicable; *provided* that the Settlement Shares so designated shall (i) not exceed the applicable Number of Shares at that time and (ii) be at least equal to the lesser of 100,000 and such Number of Shares at that time; and
- (b) with respect to the Settlement Date on the Final Date, a number of Shares equal to the applicable Number of Shares at that time;

in each case with the applicable Number of Shares determined taking into account pending Settlement Shares for the relevant Transaction.

Settlement Method Election:

Physical Settlement, Cash Settlement, or Net Stock Settlement, at the election of Counterparty, in its sole discretion, as set forth in a Settlement Notice; *provided* that if Counterparty elects Cash Settlement or Net Stock Settlement, it shall be deemed to have repeated the representations contained under “Securities Laws Representations and Agreements” below; *provided further* that if no election is made by Counterparty, Physical Settlement shall apply. The parties hereto acknowledge that Counterparty cannot be obligated to settle any Transaction by cash payment unless Counterparty elects Cash Settlement; *provided, however*, that the foregoing shall not apply to the payment of an Early Settlement Fee if the Early Unwind Date occurs as the result of the designation by Counterparty of a Settlement Date.

Physical Settlement:

If Physical Settlement is applicable, then Counterparty shall deliver to Dealer through the Clearance System a number of Shares equal to the Settlement Shares for such Settlement Date, and Dealer shall pay to Counterparty, by wire transfer of immediately available funds to an account designated by Counterparty, an amount equal to the Physical Settlement Amount for such Settlement Date.

Physical Settlement Amount:

For any Settlement Date for which Physical Settlement is applicable, an amount equal to the product of (a) the applicable Forward Price in effect on the relevant Settlement Date *multiplied by* (b) the Settlement Shares for such Settlement Date.

Cash Settlement:

On any Settlement Date in respect of which Cash Settlement applies, if the Cash Settlement Amount is a positive number, Dealer will pay the Cash Settlement Amount to Counterparty. If the Cash Settlement Amount is a negative number, Counterparty will pay the absolute value of the Cash Settlement Amount to Dealer. Such amounts shall be paid on such Settlement Date.

Cash Settlement Amount:

An amount determined by the Calculation Agent equal to: (i)(A) the applicable Forward Price as of the first day of the applicable Unwind Period *minus* (B) the weighted average price (the “**Unwind Purchase Price**”) at which Dealer purchases Shares during the Unwind Period to unwind its hedge with respect to the portion of the applicable Number of Shares to be settled during the Unwind Period (including, for the avoidance of doubt, purchases on any Suspension Day or Disrupted Day in part), taking into account Shares anticipated to be delivered or received if Net Stock Settlement applies, and the restrictions of Rule 10b-18 under the Exchange Act agreed to hereunder, *plus* USD 0.02, *multiplied by* (ii) the Settlement Shares.

Net Stock Settlement:

On any Settlement Date in respect of which Net Stock Settlement applies, if the Cash Settlement Amount is a (i) positive number, Dealer shall deliver a number of Shares to Counterparty equal to the Net Stock Settlement Shares, or (ii) negative number, Counterparty shall deliver a number of Shares to Dealer equal to the Net Stock Settlement Shares; *provided* that if Dealer determines in its good faith judgment that it would be required to deliver Net Stock Settlement Shares to Counterparty, Dealer may elect to deliver a portion of such Net Stock Settlement Shares on one or more dates prior to the applicable Settlement Date.

Net Stock Settlement Shares:

With respect to a Settlement Date, the absolute value of the Cash Settlement Amount *divided by* the applicable Unwind Purchase Price, with the number of Shares rounded up in the event such calculation results in a fractional number.

Unwind Period:

For each Transaction, the period from and including the first Exchange Business Day following the date Counterparty elects Cash Settlement or Net Stock Settlement in respect of a Settlement Date for such Transaction through the third Scheduled Trading Day preceding such Settlement Date (as such date may be changed by Dealer as described in the first proviso in clause (a) of the definition of Settlement Date above and *provided* that Dealer may truncate any Unwind Period pending (and reduce the Settlement Shares for such Unwind Period to the portion thereof, if any, for which Dealer has determined an Unwind Purchase Price) at the time Dealer designates a

Settlement Date pursuant to the “Acceleration Events” provisions below, effective upon such designation).

Failure to Deliver:	Applicable
Suspension Day:	Any day on which Dealer determines based on the advice of outside counsel of national standing that Cash Settlement or Net Stock Settlement may violate applicable securities laws or cause Dealer to not be in compliance with applicable legal, regulatory or self-regulatory requirements, or with related policies and procedures applicable to Dealer. Dealer shall promptly notify Counterparty if it receives such advice from its counsel.
Share Cap:	Except as provided under “Private Placement and Registration Procedures” below, in no event will Counterparty be required to deliver to Dealer on any Settlement Date, whether pursuant to Physical Settlement, Net Stock

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Settlement, any Private Placement Settlement or any Registration Settlement, a number of Shares in excess of (i) the applicable Initial Number of Shares *minus* (ii) the aggregate number of Shares delivered by Counterparty to Dealer under the applicable Transaction prior to such Settlement Date.

Adjustments:

Method of Adjustment: Calculation Agent Adjustment

Extraordinary Events:

New Shares: In the definition of New Shares in Section 12.1(i) of the Equity Definitions, the text in (i) shall be deleted in its entirety and replaced with “publicly quoted, traded or listed on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors)”.

Consequences of Merger Events:

- | | |
|-------------------------|--------------------------|
| (a) Share-for-Share: | Cancellation and Payment |
| (b) Share-for-Other: | Cancellation and Payment |
| (c) Share-for-Combined: | Cancellation and Payment |

Tender Offer: Applicable

Consequences of Tender Offers:

- | | |
|-------------------------|--------------------------|
| (a) Share-for-Share: | Cancellation and Payment |
| (b) Share-for-Other: | Cancellation and Payment |
| (c) Share-for-Combined: | Cancellation and Payment |

Composition of Combined Consideration: Not Applicable

Nationalization, Insolvency or Delisting: Cancellation and Payment

In addition to the provisions of Section 12.6(a)(iii) of the Equity Definitions, it will also constitute a Delisting if the Exchange is located in the United States and the Shares are not immediately re-listed, re-traded or re-quoted on any of the New York Stock Exchange, The NASDAQ Global Select Market or The NASDAQ Global Market (or their respective successors); if the Shares are immediately re-listed, re-traded or re-quoted on any such exchange or quotation system, such exchange or quotation system shall be deemed to be the Exchange.

Determining Party: For all applicable Extraordinary Events, Dealer; *provided, however*, that all calculations, adjustments, specifications, choices and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.

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Additional Disruption Events:

Change in Law: Applicable; *provided* that Section 12.9(a)(ii) of the Equity Definitions is hereby amended by (i)

replacing the phrase “the interpretation” in the third line thereof with the phrase “or public announcement of the formal or informal interpretation” and (ii) immediately following the word “Transaction” in clause (X) thereof, adding the phrase “in the manner contemplated by the Hedging Party on the Trade Date.” For the avoidance of doubt, “a materially increased cost in performing its obligations under such Transaction” includes any materially increased cost to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any Hedge Positions.

Increased Cost of Stock Borrow:	Applicable; <i>provided</i> that Section 12.9(b)(v) of the Equity Definitions is hereby amended by (A) adding the word “or” immediately before subsection “(B)” and deleting the comma at the end of subsection (A); and (B)(1) deleting subsection (C) in its entirety, (2) deleting the word “or” immediately preceding subsection (C) and (3) replacing in the penultimate sentence the words “either party” with “the Hedging Party” and (4) deleting clause (X) in the final sentence.
Initial Stock Loan Rate:	45 basis points per annum
Hedging Party:	Dealer
Insolvency Filing:	Notwithstanding anything to the contrary herein, in the Agreement or in the Equity Definitions, upon any Insolvency Filing or other proceeding under the U.S. Bankruptcy Code in respect of the Issuer, each Transaction shall automatically terminate on the date thereof without further liability of either party to this Confirmation to the other party (except for any liability in respect of any breach of representation or covenant by a party under this Confirmation prior to the date of such Insolvency Filing or other proceeding), it being understood that each Transaction is a contract for the issuance of Shares by the Issuer.
Determining Party:	For all applicable Additional Disruption Events, Dealer; <i>provided, however</i> , that all calculations, adjustments, specifications, choices and determinations by the Determining Party shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.
Acknowledgments:	
Non-Reliance:	Applicable
Agreements and Acknowledgments Regarding Hedging Activities:	Applicable
Additional Acknowledgments:	Applicable
Transfer:	Notwithstanding anything to the contrary herein or in the Agreement, Dealer may assign, transfer and set over all rights, title and interest, powers, privileges and remedies of Dealer under each Transaction, in whole or in part, to an affiliate of Dealer, or any entity sponsored or organized by, or on behalf of or for the benefit of, Dealer without the consent of Counterparty; <i>provided</i> that either (A) any such assignment, transfer or set over does not affect

Dealer’s obligations hereunder, or (B) (i) the long-term, unsecured and unsubordinated credit rating (“**Credit Rating**”) of the transferee or assignee (or any guarantor of its obligations under the transferred Transactions) is equal to or greater than the Credit Rating of Dealer, as specified by either Standard & Poor’s Ratings Services or Moody’s Investors Service, Inc. (or their respective successors), at the time of such assignment, transfer or set over, and (ii) such assignment, transfer or set over is made in connection with the transfer of all or substantially all similar transactions to which Dealer is a party resulting from the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 and rules and regulations thereunder. No later than promptly following any such assignment, transfer or set over, Dealer shall notify Counterparty as to whether the transfer, assignment or set over is pursuant to subclause (A) or subclause (B) above. In the event of any transfer or assignment of any rights, title and interest, powers, privileges and remedies of Dealer under any Transaction, the transferee or assignee shall assume and enter into all of the transferor’s covenants and representations under Sections 3(e), 3(f), 4(a)(i) and 4(a)(iii) of the Agreement or enter into new covenants and representations that are agreed by the other party under the Agreement, and the identity of the transferee or assignee shall be entered on the books and records maintained by each party or its respective agents.

Calculation Agent:	Dealer. All calculations and determinations by the Calculation Agent shall be made in good faith and in a commercially reasonable manner. The parties agree that they will work reasonably to resolve any disputes.
Account Details:	
(a) Account for delivery of Shares to Dealer:	To be furnished
(b) Account for payments to Counterparty:	To be furnished

(c) Account for payments to Dealer: Bank of New York
ABA 021-000-018
Deutsche Bank Securities, Inc.
A/C 8900327634
FFC: To be provided by Dealer

Offices:

The Office of Counterparty for each Transaction is: Inapplicable, Counterparty is not a Multibranch Party.

The Office of Dealer for each Transaction is: Deutsche Bank AG, London Branch
1 Great Winchester Street
Winchester House
London EC2N 2DB

Notices: For purposes of this Confirmation:

(a) Address for notices or communications to Counterparty:

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Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965
Telephone: (617) 747-3300
Facsimile: (617) 747-3380
Attention: Jay C. Horgen

(b) Address for notices or communications to Dealer:

Deutsche Bank AG, London Branch
c/o Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005
Attention: Paul Stowell

Andrew Yaeger

Telephone: (212) 250-6270

(212) 250-2717

Email: paul.stowell@db.com

andrew.yaeger@db.com

with a copy to:

Deutsche Bank AG, London Branch
c/o Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005
Attention: Lars Kestner
Michael Sanderson

Telephone: (212) 250-6043
(212) 250-5535

Email: lars.kestner@db.com
michael-sa.sanderson@db.com

Effectiveness; Distribution Agreement; Interpretive Letter.

Conditions to Effectiveness. Each Transaction shall be effective if and only if Shares are sold on or after the applicable Trade Date and on or prior to the applicable Hedge Completion Date pursuant to the Distribution Agreement. If the Distribution Agreement is terminated prior to any such sale of Shares thereunder, the parties shall have no further obligations in connection with the relevant Transaction, other than in respect of breaches of representations or covenants on or prior to such date.

Distribution Agreement Representations, Warranties and Covenants. On each Trade Date and on each date on which Dealer or its affiliates delivers a prospectus in connection with a sale to hedge a Transaction, Counterparty repeats and reaffirms as of such date all of the representations and warranties contained in the Distribution Agreement.

Counterparty hereby agrees to comply with its covenants contained in the Distribution Agreement as if such covenants were made in favor of Dealer.

Interpretive Letter. Counterparty agrees and acknowledges that each Transaction is being entered into in accordance with the October 9, 2003 interpretive letter from the staff of the Securities and Exchange Commission to Goldman, Sachs & Co. (the “**Interpretive Letter**”) and agrees to take all actions, and to omit to take any actions, reasonably requested by Dealer for each Transaction to comply with the Interpretive Letter. Without limiting the foregoing, Counterparty agrees that neither it nor any “affiliated purchaser” (as defined in Regulation M (“**Regulation M**”) promulgated under the Exchange Act) will, directly or indirectly, bid for, purchase or attempt to induce any person to bid for or purchase, the Shares or securities that are convertible into, or exchangeable or exercisable for, Shares during any “restricted period” as such term is defined in Regulation M. In addition, Counterparty represents that it is eligible to conduct a primary offering of Shares on Form S-3, the offering contemplated by the Distribution Agreement complies with Rule 415 under the Securities Act of 1933, as amended (the “**Securities Act**”), and the Shares are “actively traded” as defined in Rule 101(c)(1) of Regulation M.

Agreements and Acknowledgments Regarding Shares:

- (i) Counterparty agrees and acknowledges that, in respect of any Shares delivered to Dealer hereunder, such Shares shall be newly issued (unless mutually agreed otherwise by the parties) and upon such delivery, duly and validly authorized, issued and outstanding, fully paid and nonassessable, free of any lien, charge, claim or other encumbrance and not subject to any preemptive or similar rights and shall, upon such issuance, be accepted for listing or quotation on the Exchange.
- (ii) Counterparty agrees and acknowledges that Dealer will hedge its exposure to each Transaction by selling Shares borrowed from third party securities lenders or other Shares pursuant to a registration statement, and that, pursuant to the terms of the Interpretive Letter, the Shares (up to the Initial Number of Shares) delivered, pledged or loaned by Counterparty to Dealer in connection with each Transaction may be used by Dealer to return to securities lenders without further registration under the Securities Act. Accordingly, Counterparty agrees that the Shares that it delivers, pledges or loans to Dealer on or prior to the final Settlement Date will not bear a restrictive legend and that such Shares will be deposited in, and the delivery thereof shall be effected through the facilities of, the Clearance System.
- (iii) Counterparty has reserved and will keep available at all times, free from preemptive or similar rights and free from any lien, charge, claim or other encumbrance, authorized but unissued Shares at least equal to the Number of Shares for all Transactions, solely for the purpose of settlement under the Transactions.
- (iv) Unless the provisions set forth below under “Private Placement and Registration Procedures” are applicable, Dealer agrees to use any Shares delivered by Counterparty hereunder on any Settlement Date to return to securities lenders to close out open securities loans with respect to the Shares.
- (v) In connection with bids and purchases of Shares in connection with any Cash Settlement or Net Stock Settlement of a Transaction, Dealer shall use its good faith efforts to comply, or cause compliance, with the provisions of Rule 10b-18 under the Exchange Act, taking into account any purchases under other Equity Contracts, as if such provisions were applicable to such purchases.

Securities Laws Representations and Agreements:

- (i) Counterparty represents to Dealer on each Trade Date and on any date that Counterparty notifies Dealer that Cash Settlement, Net Stock Settlement or Alternative Settlement under “Accounting Standards Codification (‘ASC’) 815-40; Alternative Settlement” below applies to a Transaction, that (a) each of its filings under the Securities Act, the Exchange Act or other applicable securities laws that are required to be filed have been filed and that, as of the respective dates thereof and as of the date of this representation, there is no misstatement of material fact contained therein or omission of a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; and (b) it has not and will not directly or indirectly violate any applicable law (including,

without limitation, the Securities Act and the Exchange Act) in connection with a Transaction. In addition to any other requirement set forth herein, Counterparty agrees not to designate any Settlement Date or elect Alternative Settlement under “Accounting Standards Codification (‘ASC’) 815-40; Alternative Settlement” below if settlement in respect of such date would result in a violation of any applicable federal or state law or regulation, including the U.S. federal securities laws.

- (ii) It is the intent of Dealer and Counterparty that following any election of Cash Settlement or Net Stock Settlement by Counterparty for a Transaction, the purchase of Shares by Dealer during the related Unwind Period comply with the requirements of Rule 10b5-1(c)(1)(i)(B) of the Exchange Act and that this Confirmation shall be interpreted to comply with the requirements of Rule 10b5-1(c).

Counterparty acknowledges that (a) during any Unwind Period Counterparty shall not have, and shall not attempt to exercise, any influence over how, when or whether to effect purchases of Shares by Dealer (or its agent or affiliate) in connection with this Confirmation and (b) Counterparty is entering into the Agreement and this Confirmation in good faith and not as part of a plan or scheme to evade compliance with federal securities laws including, without limitation, Rule 10b-5 promulgated under the Exchange Act.

Counterparty hereby agrees with Dealer that during any Unwind Period Counterparty shall not communicate, directly or indirectly, any Material Non-Public Information (as defined herein) to any Equity Derivatives Group Personnel (as defined below). For purposes of each Transaction, “**Material Non-Public Information**” means information relating to Counterparty or the Shares that (x) has not been widely disseminated by wire service, in one or more newspapers of general circulation, by communication from Counterparty to its shareholders or in a press release, or contained in a public filing made by Counterparty with the Securities and Exchange Commission and (y) a reasonable investor might consider to be of importance in making an investment decision to buy, sell or hold Shares. For the avoidance of doubt and solely by way of illustration, information should be presumed “material” if it relates to such matters as dividend increases or decreases, earnings estimates, changes in previously released earnings estimates, significant expansion or curtailment of operations, a significant

increase or decline of orders, significant merger or acquisition proposals or agreements, significant new products or discoveries, extraordinary borrowing, major litigation, liquidity problems, extraordinary management developments, purchase or sale of substantial assets, or other similar information For purposes of each Transaction, “**Equity Derivatives Group Personnel**” means any employee of Dealer or its affiliates who effects purchases or sales of Shares in connection with this Agreement.

- (iii) Counterparty shall, at least one day prior to the first day of any Unwind Period, notify Dealer of the total number of Shares purchased in Rule 10b-18 purchases of blocks pursuant to the once-a-week block exception contained in Rule 10b-18(b)(4) by or for Counterparty or any of its affiliated purchasers during each of the four calendar weeks preceding the first day of the Unwind Period and during the calendar week in which the first day of the Unwind Period occurs (“Rule 10b-18 purchase”, “blocks” and “affiliated purchaser” each being used as defined in Rule 10b-18).
- (iv) During any Unwind Period, Counterparty shall (a) notify Dealer prior to the opening of trading in the Shares on any day on which Counterparty makes, or expects to be made, any public announcement (as defined in Rule 165(f) under the Securities Act) of any merger, acquisition, or similar transaction involving a recapitalization relating to Counterparty (other than any such transaction in which the consideration consists solely of cash and there is no valuation period), (b) promptly notify Dealer following any such announcement that such announcement has been made, and (c) promptly deliver to Dealer following the making of any such announcement information indicating (1) Counterparty’s average daily Rule 10b-18 purchases (as defined in Rule 10b-18) during the three full calendar months preceding the date of the announcement of such transaction and (2) Counterparty’s block purchases (as defined in Rule 10b-18) effected pursuant to paragraph (b)(4) of Rule 10b-18 during the three full calendar months preceding the date of the announcement of such transaction. In addition, Counterparty shall promptly notify Dealer of the earlier to occur of the completion of such transaction and the completion of the vote by target shareholders.

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- (v) Neither Counterparty nor any of its affiliates shall take or refrain from taking any action (including, without limitation, any direct purchases by Counterparty or any of its affiliates, or any purchases by a party to a derivative transaction with Counterparty or any of its affiliates), either under this Confirmation, under an agreement with another party or otherwise, that might cause any purchases of Shares by Dealer or any of its affiliates in connection with any Cash Settlement or Net Stock Settlement of a Transaction not to meet the requirements of the safe harbor provided by Rule 10b-18 determined as if all such foregoing purchases were made by Counterparty.
 - (vi) Counterparty will not engage in any “distribution” (as defined in Regulation M) that would cause a “restricted period” (as defined in Regulation M) to occur during any Unwind Period.

Miscellaneous:

Acceleration Events.

- (i) **Stock Borrow Event.** If in Dealer’s reasonable judgment, (a) Dealer is not able hedge its exposure under a Transaction because insufficient Shares are made available for borrowing by securities lenders or (b) Dealer would incur a cost to borrow (or to maintain a borrow of) sufficient Shares to hedge its exposure under a Transaction that is equal to or greater than 200 basis points per annum per any Share (each of (a) and (b), a “**Stock Borrow Event**”), then Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least two Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date, which shall not exceed the number of Shares as to which the relevant Stock Borrow Event relates.
- (ii) **Dividends.** If on any day after a Trade Date, Counterparty declares a distribution, issue or dividend to existing holders of the Shares of (a) any cash dividends in excess of USD 0.00 per Share or (b) share capital or other securities of another issuer acquired or owned (directly or indirectly) by Counterparty as a result of a spin-off or similar transaction or (c) any other type of securities (other than Shares), rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price, as determined by Dealer, then for each affected Transaction Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least three Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date. Counterparty agrees that it will publicly announce any such distribution, issue or dividend at least 5 Scheduled Trading Days before the record date therefor.
- (iii) **Stock Price Event.** If at any time after a Trade Date the traded price per Share on the Exchange is less than or equal to 35% of the applicable Initial Forward Price, then for each affected Transaction Dealer shall be entitled at any time thereafter to designate one or more Scheduled Trading Days prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least ten Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date.
- (iv) **Board Approval of Merger Event.** If on any day after a Trade Date, the board of directors of Counterparty votes to approve any action that, if consummated, would constitute a Merger Event, then Counterparty shall notify Dealer of such occurrence within one Scheduled Trading Day after such occurrence and for each affected Transaction Dealer shall be entitled to designate any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction, by providing Counterparty at least twenty Scheduled Trading Days’ notice prior to the relevant Settlement Date, and to designate the number of Settlement Shares for the relevant Settlement Date.
- (v) **ISDA Termination.** In lieu of (a) designating an Early Termination Date as the result of an Event of Default or Termination Event, (b) terminating a Transaction and determining a Cancellation Amount as the result of an Additional Disruption Event, or (c) terminating a Transaction and determining an amount payable in

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connection with an Extraordinary Event to which Cancellation and Payment would otherwise be applicable, Dealer shall be entitled to designate for each affected Transaction any Scheduled Trading Day prior to the date the applicable Number of Shares is first reduced to zero to be a Settlement Date for such Transaction with respect to the applicable Number of Shares as the Settlement Shares.

- (vi) **Termination Settlement.** Notwithstanding anything to the contrary herein, in the Agreement or in the Equity Definitions, if a Settlement Date is designated by Dealer as the result of one of the foregoing sub-paragraphs (i) through (v), Physical Settlement shall apply to the relevant Settlement Shares.

Private Placement and Registration Procedures. If Counterparty notifies Dealer that it is unable to comply with the provisions of sub-paragraph (ii) of “Agreements and Acknowledgments Regarding Shares” above because of a change in law or a change in the policy of the Securities and Exchange Commission or its staff, or Dealer notifies Counterparty that in its reasonable opinion any Shares to be delivered to Dealer by Counterparty may not be freely returned by Dealer to securities lenders as described under such sub-paragraph (ii), or otherwise constitute “restricted securities” as defined in Rule 144 under the Securities Act (the date such notification is effective being the “**Determination Date**”), then Counterparty may elect to effect the delivery of any such Shares (the “**Restricted Shares**”) pursuant to either clause (i) or (ii) below, unless waived by Dealer, on the later of (A)(1) if Private Placement Settlement is applicable, the tenth Scheduled Trading Day following the Determination Date or (2) if Registration Settlement is applicable, the thirtieth calendar day following the Determination Date (or if such day is not a Clearance System Business Day, the next Clearance System Business Day), (B) the date such delivery would otherwise be due pursuant to the terms of this Confirmation and (C) the Clearance System Business Day following notice by Dealer to Counterparty of the number of Shares to be delivered pursuant to these “Private Placement and Registration Procedures”; *provided* that if Counterparty does not so elect within three Scheduled Trading Days of the Determination Date, Counterparty shall be deemed to have elected clause (i) below.

- (i) If Counterparty is obligated to settle any Transaction with Restricted Shares (a “**Private Placement Settlement**”), then delivery of Restricted Shares by Counterparty shall be effected in customary private placement procedures with respect to such Restricted Shares reasonably acceptable to Dealer; *provided* that Counterparty may not elect a Private Placement Settlement if, on the date of its election, it has taken, or caused to be taken, any action that would make unavailable either the exemption pursuant to Section 4(2) of the Securities Act for the sale by Counterparty to Dealer (or any affiliate designated by Dealer) of the Restricted Shares or the exemption pursuant to Section 4(1) or Section 4(3) of the Securities Act for resales of the Restricted Shares by Dealer (or any such affiliate of Dealer). The Private Placement Settlement of such Restricted Shares shall include customary representations, covenants, blue sky and other governmental filings and/or registrations, indemnities to Dealer, due diligence rights (for Dealer or any designated buyer of the Restricted Shares by Dealer), opinions and certificates, and such other documentation as is customary for private placement agreements, all reasonably acceptable to Dealer. In the case of a Private Placement Settlement, Dealer shall, in its good faith discretion, adjust the amount of Restricted Shares to be delivered to Dealer hereunder in a commercially reasonable manner to reflect the fact that (A) such Restricted Shares may not be freely returned to securities lenders by Dealer and may only be saleable by Dealer at a discount to reflect the lack of liquidity in Restricted Shares and (B) Dealer will incur carrying costs and other costs in connection with its hedge unwind activity relating to such Private Placement Settlement; *provided* that for any Transaction in no event will Counterparty be required to deliver to Dealer a number of Restricted Shares in excess of (i) the applicable Initial Number of Shares *multiplied by two, minus* (ii) the aggregate number of Shares delivered by Counterparty to Dealer under such Transaction prior to the date of such delivery (the “**Maximum Delivery Amount**”). If Dealer adjusts the amount of Restricted Shares, it shall provide Counterparty with a statement indicating in reasonable detail how such share adjustment was determined.

If Counterparty delivers any Restricted Shares in respect of a Transaction, Counterparty agrees that (A) such Shares may be transferred by and among Dealer and its affiliates and (B) after the “holding period” specified in Rule 144(d) under the Securities Act has elapsed, Counterparty shall promptly remove, or cause the transfer agent for the Shares to remove, any legends referring to any transfer restrictions from such Shares upon delivery by Dealer (or such affiliate of Dealer) to Counterparty or such transfer agent of any seller’s and broker’s representation letters customarily delivered by Dealer or its affiliates in connection with resales of restricted securities pursuant to Rule 144 under the Securities Act, each without any further requirement for the

delivery of any certificate, consent, agreement, opinion of counsel, notice or any other document, any transfer tax stamps or payment of any other amount or any other action by Dealer (or such affiliate of Dealer).

- (ii) If Counterparty elects to settle a Transaction pursuant to this clause (ii) (a “**Registration Settlement**”), then Counterparty shall promptly (but in any event no later than the Scheduled Trading Day immediately prior to the date delivery of the Shares is due pursuant to the terms of these “Private Placement and Registration Procedures”) file and use its reasonable efforts to make effective under the Securities Act a registration statement or supplement or amend an outstanding registration statement in form and substance reasonably satisfactory to Dealer, to cover the resale of Restricted Shares (the “**Registered Shares**”) in accordance with customary resale registration procedures, including covenants, conditions, representations, underwriting discounts, commissions, indemnities, due diligence rights, opinions and certificates, and such other documentation as is customary for equity resale underwriting agreements, all reasonably acceptable to Dealer. If Dealer, in its reasonable discretion, is not satisfied with such procedures and documentation or if a Settlement Date is designated by Dealer pursuant to the “Acceleration Events” provisions above, Private Placement Settlement shall apply and Counterparty shall effect delivery of Restricted Shares by the tenth Scheduled Trading Day following notification from Dealer. In the case of a Registration Settlement, Dealer shall, in its good faith discretion, adjust the amount of Registered Shares to be delivered to Dealer under the relevant Transaction in a commercially reasonable manner to reflect the fact that Dealer will incur carrying costs and other costs in connection with its hedge unwind activity relating to such Registered Settlement; *provided* that for any Transaction in no event will Counterparty be required to deliver to Dealer a number of Registered Shares in excess of the Maximum Delivery Amount for such Transaction. If Dealer adjusts the amount of Registered Shares, it shall provide Counterparty with a statement indicating in reasonable detail how such share adjustment was determined.

Indemnity. Counterparty agrees to indemnify Dealer and its affiliates and their respective directors, officers, employees, agents and controlling persons (Dealer and each such affiliate or person being an “**Indemnified Party**”) from and against any and all losses, claims, damages and liabilities, joint and several, incurred by or asserted against such Indemnified Party arising out of, in connection with, or relating to, the execution or delivery of this Confirmation, the performance by the parties hereto of their respective obligations under any Transaction, any breach of any covenant or

representation made by Counterparty in this Confirmation or the Agreement or the consummation of the transactions contemplated hereby and will reimburse any Indemnified Party for all reasonable expenses (including reasonable legal fees and expenses) as they are incurred in connection with the investigation of, preparation for, or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party thereto, except to the extent resulting from Dealer's gross negligence or willful misconduct.

Waiver of Trial by Jury. EACH OF COUNTERPARTY AND DEALER HEREBY IRREVOCABLY WAIVES (ON ITS OWN BEHALF AND, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ON BEHALF OF ITS STOCKHOLDERS) ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO ANY TRANSACTION OR THE ACTIONS OF DEALER OR ITS AFFILIATES IN THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT HEREOF.

Governing Law/Jurisdiction. This Confirmation shall be governed by the laws of the State of New York without reference to the conflict of laws provisions thereof. The parties hereto irrevocably submit to the exclusive jurisdiction of the courts of the State of New York and the United States Court for the Southern District of New York in connection with all matters relating hereto and waive any objection to the laying of venue in, and any claim of inconvenient forum with respect to, these courts.

Method of Delivery. Whenever delivery of funds or other assets is required hereunder by or to Counterparty, such delivery shall be effected through DBSI. In addition, all notices, demands and communications of any kind relating to any Transaction between Dealer and Counterparty shall be transmitted exclusively through DBSI.

Accounting Standards Codification ('ASC') 815-40; Alternative Settlement. The parties hereby agree that all documentation with respect to a Transaction is intended to qualify such Transaction as an equity instrument for purposes of Accounting Standards Codification ('ASC') 815-40. If, subject to "Netting and Set-off" below, Counterparty owes Dealer any amount in connection with a Transaction pursuant to Section 12.7 or 12.9 of the

Equity Definitions (except in the case of an Extraordinary Event in which the consideration or proceeds to be paid to holders of Shares as a result of such event consists solely of cash) or pursuant to Section 6(d)(ii) of the Agreement (except in the case of an Event of Default in which Counterparty is the Defaulting Party or a Termination Event in which Counterparty is the Affected Party, other than (x) an Event of Default of the type described in Section 5(a)(iii), (v), (vi) or (vii) of the Agreement or (y) a Termination Event of the type described in Section 5(b)(i), (ii), (iii), (iv), or (v) of the Agreement that in the case of either (x) or (y) resulted from an event or events outside Counterparty's control) (a "Payment Obligation"), Counterparty shall have the right, in its sole discretion, to satisfy any such Payment Obligation by delivery of Termination Delivery Units (as defined below) by giving irrevocable telephonic notice to Dealer, confirmed in writing within one Scheduled Trading Day, between the hours of 9:00 a.m. and 4:00 p.m. New York time on the Closing Date, Early Termination Date or other date of termination or cancellation, as applicable ("Notice of Termination Delivery"). Upon Notice of Termination Delivery, Counterparty shall deliver to Dealer a number of Termination Delivery Units having a cash value equal to the amount of such Payment Obligation (such number of Termination Delivery Units to be delivered to be determined by the Calculation Agent acting in a commercially reasonable manner, taking into account whether the Termination Delivery Units so delivered are freely tradable). Settlement relating to any delivery of Termination Delivery Units pursuant to this provision shall occur within three Scheduled Trading Days. "Termination Delivery Unit" means (A) in the case of a Termination Event, an Event of Default or an Extraordinary Event (other than an Insolvency, Nationalization, Merger Event or Tender Offer), one Share or (B) in the case of an Insolvency, Nationalization, Merger Event or Tender Offer, a unit consisting of the number or amount of each type of property received by a holder of one Share (without consideration of any requirement to pay cash or other consideration in lieu of fractional amounts of any securities) in such Insolvency, Nationalization, Merger Event or Tender Offer; *provided* that if such Insolvency, Nationalization, Merger Event or Tender Offer involves a choice of consideration to be received by holders, such holder shall be deemed to have elected to receive the maximum possible amount of cash.

Disclosure. Effective from the date of commencement of discussions concerning a Transaction, each of Dealer and Counterparty and each of their employees, representatives, or other agents may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of such Transaction and all materials of any kind (including opinions or other tax analyses) relating to such tax treatment and tax structure.

Right to Extend. Dealer may postpone any Settlement Date or any other date of valuation or delivery, with respect to some or all of the relevant Settlement Shares, if Dealer determines, in its discretion, that such extension is reasonably necessary or appropriate to enable Dealer to effect purchases of Shares in connection with its hedging activity hereunder or under any other Equity Contract in a manner that would, if Dealer were Counterparty or an affiliated purchaser of Counterparty, be in compliance with applicable legal and regulatory requirements, as determined by Dealer based upon the advice of outside counsel of national standing.

Counterparty Share Repurchases. Counterparty agrees not to repurchase any Shares if, immediately following such purchase, the Number of Shares for all Transactions under this Confirmation and all other Equity Contracts (as defined in "Netting and Set-off" below) would be equal to or greater than 8.0% of the number of then-outstanding Shares or such lower number of Shares as Dealer notifies Counterparty would, in the reasonable judgment of outside counsel of national standing for Dealer, present legal or regulatory issues for Dealer.

Limit on Beneficial Ownership. Notwithstanding any other provisions hereof, Dealer shall not be entitled to receive Shares hereunder (whether in connection with the purchase of Shares on any Settlement Date or otherwise) to the extent (but only to the extent) that such receipt would result in Dealer and its affiliates (i) directly or indirectly beneficially owning (as such term is defined for purposes of Section 13(d) of the Exchange Act or, if it would result in a higher percentage of beneficial ownership, the equivalent calculation for purposes of determining a ten percent beneficial owner under Section 16 of the Exchange Act) at any time in excess of 4.9% of the outstanding Shares or (ii) having direct or indirect ownership or control (for purposes of the Bank Holding Company Act of 1956, as amended) at any time in excess of 4.9% of the outstanding Shares. Any purported delivery hereunder shall be void and have no effect to the extent (but only to the extent) that such delivery would result in Dealer and its affiliates directly or indirectly so beneficially owning or so owning or controlling in excess of 4.9% of the outstanding Shares. If any delivery owed to Dealer hereunder is not made, in whole or in part, as a result of this provision, Counterparty's obligation to make such delivery shall not be extinguished and Counterparty shall make such delivery as promptly as practicable after, but in no event later than one Exchange Business Day after, Dealer gives

notice to Counterparty that such delivery would not result in Dealer and its affiliates directly or indirectly so beneficially owning or so owning or controlling in excess of 4.9% of the outstanding Shares.

Commodity Exchange Act. Each of Dealer and Counterparty agrees and represents that it is an “eligible contract participant” as defined in the U.S. Commodity Exchange Act, as amended (the “CEA”), the Agreement and each Transaction are subject to individual negotiation by the parties and have not been executed or traded on a “trading facility” as defined in the CEA.

Securities Act. Each of Dealer and Counterparty agrees and represents that it is a “qualified institutional buyer” as defined in Rule 144A under the Securities Act, or an “accredited investor” as defined under the Securities Act.

ERISA. Each of Dealer and Counterparty agrees and represents that the assets used in each Transaction (a) are not assets of any “plan” (as such term is defined in Section 4975 of the U.S. Internal Revenue Code (the “Code”)) subject to Section 4975 of the Code or any “employee benefit plan” (as such term is defined in Section 3(3) of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”)) subject to Title I of ERISA, and (b) do not constitute “plan assets” (as such term is defined in Section 3(42) of ERISA).

Bankruptcy Status. Dealer acknowledges and agrees that this Confirmation is not intended to convey to Dealer rights with respect to the transactions contemplated hereby that are senior to the claims of Counterparty’s common stockholders in any U.S. bankruptcy proceedings of Counterparty; *provided, however*, that nothing herein shall be deemed to limit Dealer’s right to pursue remedies in the event of a breach by Counterparty of its obligations and agreements with respect to this Confirmation and the Agreement; and *provided, further*, that nothing herein shall limit or shall be deemed to limit Dealer’s rights in respect of any transaction other than the Transactions.

No Collateral. The parties acknowledge that none of the Transactions are secured by any collateral that would otherwise secure the obligations of Counterparty herein under or pursuant to the Agreement. Without limiting the generality of the foregoing, none of the Transactions will be considered to create obligations covered by any collateral credit support annex to the Agreement and will be disregarded for the purposes of calculating any exposures pursuant to any such annex.

Netting and Set-off. Dealer agrees not to set-off or net amounts due from Counterparty with respect to any Transaction against amounts due from Dealer to Counterparty under obligations other than Equity Contracts. Section 2(c) of the Agreement as it applies to payments due with respect to any Transaction shall remain in effect and is not subject to the first sentence of this provision. The parties agree that Section 6(f) of the Agreement is amended and restated to read as follows:

“(f) Upon the occurrence of an Event of Default or Termination Event with respect to Counterparty as the Defaulting Party or the Affected Party (“X”), Dealer (“Y”) will have the right (but not be obliged) without prior notice to X or any other person to set-off or apply any obligation of X under an Equity Contract owed to Y (or any Affiliate of Y) (whether or not matured or contingent and whether or not arising under this Agreement, and regardless of the currency, place of payment or booking office of the obligation) against any obligation of Y (or any Affiliate of Y) under an Equity Contract owed to X (whether or not matured or contingent and whether or not arising under this Agreement, and regardless of the currency, place of payment or booking office of the obligation). Y will give notice to the other party of any set-off effected under this Section 6(f).

“Equity Contract” shall mean for purposes of this Section 6(f) any Transaction relating to Shares sold pursuant to the Distribution Agreement.

If any obligation is unascertained, Y may in good faith estimate that obligation and set-off in respect of the estimate, subject to the relevant party accounting to the other when the obligation is ascertained.

Nothing in this Section 6(f) shall be effective to create a charge or other security interest. This Section 6(f) shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other

right to which any party is at any time otherwise entitled (whether by operation of law, contract or otherwise).”

Wall Street Transparency and Accountability Act of 2010. The parties hereby agree that none of (a) Section 739 of the Wall Street Transparency and Accountability Act of 2010 (“WSTAA”), (b) any similar legal certainty provision in any legislation enacted, or rule or regulation promulgated, on or after any Trade Date, (c) the enactment of WSTAA or any regulation under the WSTAA, (d) any requirement under WSTAA nor (e) an amendment made by WSTAA, shall limit or otherwise impair either party’s rights to terminate, renegotiate, modify, amend or supplement this Confirmation or the Agreement, as applicable, arising from a termination event, force majeure, illegality, increased costs, regulatory change or similar event under this Confirmation, the Equity Definitions incorporated herein, or the Agreement (including, but not limited to, rights arising from Change in Law, Increased Cost of Stock Borrow or Illegality (as defined in the Agreement)).

Tax Representations.

(i) For the purpose of Section 3(e) of the Agreement, each party makes the following representation:

(A) It is not required by any applicable law, as modified by the practice of any relevant governmental revenue authority, of any Relevant Jurisdiction to make any deduction or withholding for or on account of any Tax from any payment (other than interest under Section 9(h) of the Agreement and any other payments of interest and penalty charges for late payment) to be made by it to the other party under the Agreement.

(B) In making this representation, a party may rely on (i) the accuracy of any representations made by the other party pursuant to Section 3(f) of this Agreement, (ii) the satisfaction of the agreement contained in Section 4(a)(i) or 4(a)(iii) of the Agreement, and the accuracy and effectiveness of any document provided by the other party pursuant to Section 4(a)(i) or 4(a)(iii) of the

Agreement, and (iii) the satisfaction of the agreement of the other party contained in Section 4(d) of the Agreement, *provided* that it shall not be a breach of this representation where reliance is placed on clause (ii) above and the other party does not deliver a form or document under Section 4(a)(iii) by reason of material prejudice to its legal or commercial position.

- (ii) For the purpose of Section 3(f) of the Agreement:
 - (A) Dealer makes the following representation(s):
 - (1) It is a “foreign person” within the meaning of the applicable U.S. Treasury Regulations concerning information reporting and backup withholding tax.
 - (2) Each payment received or to be received by it under a Transaction will be effectively connected with its conduct of a trade or business in the United States.
 - (B) Counterparty represents that it is a “U.S. person” (as that term is used in section 1.1441-4(a)(3)(ii) of United States Treasury Regulations) for United States federal income tax purposes.
- (iii) For the purpose of Section 4(a)(i) of the Agreement, promptly upon execution of this Confirmation, Counterparty shall provide to Dealer a valid and duly executed IRS Form W-9 and any required attachments thereto.
- (iv) For the purpose of Section 4(a)(i) of the Agreement, Dealer shall provide to Counterparty a valid and duly executed IRS Form W-8ECI and any required attachments thereto (A) promptly upon execution of this Confirmation, (B) promptly upon reasonable demand by Counterparty and (C) promptly upon learning that any Form previously provided by Dealer has become obsolete or incorrect.

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Change of Account. Section 2(b) of the Agreement is hereby amended by the addition after the word “delivery” in the first line thereof of the phrase “to another account in the same legal and tax jurisdiction”.

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Please check this Confirmation and confirm that the foregoing correctly sets forth the terms of our agreement by signing in the space provided below and returning to Dealer a facsimile of the fully-executed Confirmation. Originals shall be provided for your execution upon your request. Dealer will make the time of execution of each Transaction available upon request.

Dealer is regulated by the Financial Services Authority.

Very truly yours,

DEUTSCHE BANK AG, LONDON BRANCH

By: /s/ Michael Sanderson
Name: Michael Sanderson
Title: Managing Director

By: /s/ Lars Kestner
Name: Lars Kestner
Title: Managing Director

DEUTSCHE BANK SECURITIES INC.,
acting solely as agent in connection with the Transactions

By: /s/ Michael Sanderson
Name: Michael Sanderson
Title: Managing Director

By: /s/ Lars Kestner
Name: Lars Kestner
Title: Managing Director

Counterparty hereby agrees to, accepts and confirms the terms of the foregoing as of the date first written above.

AFFILIATED MANAGERS GROUP, INC.

By: /s/ John Kingston, III
Name: John Kingston, III
Title: Vice Chairman, General Counsel and Secretary

Signature page to Registered Forward
Transaction Confirmation

ANNEX A

Deutsche Bank 
Deutsche Bank AG, London Branch
Winchester house
1 Great Winchester St,
London EC2N 2DB
Telephone: 44 20 7545 8000

c/o Deutsche Bank Securities Inc.
60 Wall Street
New York, NY 10005
Telephone: (212) 250-2500

PRICING SUPPLEMENT

DATE: []
TO: Affiliated Managers Group, Inc.
600 Hale Street
Prides Crossing, MA 01965
ATTENTION: Jay C. Horgen
FACSIMILE: (617) 747-3380
FROM: Deutsche Bank AG, London Branch
TELEPHONE: 44 20 7545 0556
FACSIMILE: 44 11 3336 2009
SUBJECT: Registered Forward Transaction
REFERENCE NUMBER(S): []

Ladies and Gentlemen:

This Pricing Supplement is the Pricing Supplement contemplated by the Registered Forward Transaction dated as of August 8, 2012 (the “**Confirmation**”) between Affiliated Managers Group, Inc. (“**Counterparty**”) and Deutsche Bank AG, London Branch (“**Dealer**”) for the Transaction with the Trade Date referenced below.

DEALER IS NOT REGISTERED AS A BROKER OR DEALER UNDER THE U.S. SECURITIES EXCHANGE ACT OF 1934. DEUTSCHE BANK SECURITIES INC. (“DBSI”) HAS ACTED SOLELY AS AGENT IN CONNECTION WITH THE TRANSACTION AND HAS NO OBLIGATION, BY WAY OF ISSUANCE,

NOTICE: This communication may contain information which is confidential and/or legally privileged and is intended only for the addressee named above. If you are not the named addressee, the communication has been sent to you in error and you are asked not to read, use or disclose it. We should be grateful if you would contact us immediately so that we can arrange for its return. Thank you.

Chairman of the Supervisory Board: Dr. Paul Achleitner.

Management Board: Jürgen Fitschen (Co-Chairman), Anshu Jain (Co-Chairman), Stefan Krause, Stephan Leithner, Stuart Lewis, Rainer Neske and Henry Ritchotte.

Deutsche Bank AG is authorised under German Banking Law (competent authority: BaFin — Federal Financial Supervising Authority) and regulated by the Financial Services Authority for the conduct of UK business; a member of the London Stock Exchange. Deutsche Bank AG is a joint stock corporation with limited liability incorporated in the Federal Republic of Germany HRB No. 30 000 District Court of Frankfurt am Main; Branch Registration in England and Wales BR000005; Registered address: Winchester House, 1 Great Winchester Street, London EC2N 2DB. Deutsche Bank Group online: <http://www.deutsche-bank.com>

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ENDORSEMENT, GUARANTEE OR OTHERWISE WITH RESPECT TO THE PERFORMANCE OF EITHER PARTY UNDER THE TRANSACTION. AS SUCH, ALL DELIVERY OF FUNDS, ASSETS, NOTICES, DEMANDS AND COMMUNICATIONS OF ANY KIND RELATING TO THIS TRANSACTION BETWEEN DEALER AND COUNTERPARTY SHALL BE TRANSMITTED EXCLUSIVELY THROUGH DEUTSCHE BANK SECURITIES INC. DEALER IS NOT A MEMBER OF THE SECURITIES INVESTOR PROTECTION CORPORATION (SIPC).

For all purposes under the Confirmation:

- (a) the Trade Date is [];
- (b) the Hedge Completion Date is [];
- (c) the Number of Shares shall be [], subject to further adjustment in accordance with the terms of the Confirmation;
- (d) the Initial Forward Price shall be USD []; and
- (e) the Final Date is [].

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Please check this Pricing Supplement and confirm that the foregoing correctly sets forth the terms of our agreement by signing in the space provided below and returning to Dealer a facsimile of the fully-executed Pricing Supplement. Originals shall be provided for your execution upon your request.

Dealer is regulated by the Financial Services Authority.

Very truly yours,

DEUTSCHE BANK AG, LONDON BRANCH

By: _____
Name:
Title:

By: _____
Name:
Title:

DEUTSCHE BANK SECURITIES INC.,
acting solely as agent in connection with this Transaction

By: _____
Name:
Title:

By: _____
Name:
Title:

Confirmed as of the date first above written:

AFFILIATED MANAGERS GROUP, INC.

By: _____
Name:
Title:

Signature page to Pricing Supplement to
Registered Forward Transaction Confirmation

**CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002**

I, Sean M. Healey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2012

/s/ SEAN M. HEALEY

Sean M. Healey
Chief Executive Officer

QuickLinks

[Exhibit 31.1](#)

[CERTIFICATION PURSUANT TO SECTION 302\(a\) OF THE SARBANES-OXLEY ACT OF 2002](#)

**CERTIFICATION PURSUANT TO SECTION 302(a)
OF THE SARBANES-OXLEY ACT OF 2002**

I, Jay C. Horgen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
Chief Financial Officer and Treasurer

QuickLinks

[Exhibit 31.2](#)

[CERTIFICATION PURSUANT TO SECTION 302\(a\) OF THE SARBANES-OXLEY ACT OF 2002](#)

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc. (the "Company") for the period ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Sean M. Healey, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, 2012

/s/ SEAN M. HEALEY

Sean M. Healey
Chief Executive Officer

QuickLinks

[Exhibit 32.1](#)

[CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002](#)

**CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Affiliated Managers Group, Inc. (the "Company") for the period ended June 30, 2012, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jay C. Horgen, Chief Financial Officer and Treasurer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, that to his knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 8, 2012

/s/ JAY C. HORGEN

Jay C. Horgen
Chief Financial Officer and Treasurer

QuickLinks

[Exhibit 32.2](#)

[CERTIFICATE PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002](#)