UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 SEPTEMBER 30, 2018**

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: 001-36869

PJT Partners Inc.

(Exact name of Registrant as specified in its charter)

Delaware	**36-4797143**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

280 Park Avenue
New York, New York 10017
(Address of principal executive offices)(Zip Code)
(212) 364-7800
(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 every Interactive Data File required to be submitted 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 such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of October 29, 2018, there were 22,252,160 shares of Class A common stock, par value $0.01 per share, and 212 shares of Class B common stock, par value $0.01 per share, outstanding.

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PJT Partners Inc. was formed in connection with certain merger and spin-off transactions whereby the financial and strategic advisory services,restructuring and reorganization advisory services and Park Hill Group businesses of The Blackstone Group L.P. ("Blackstone" or our "former Parent") were combined with PJT Capital LP, a financial advisory firm founded by Paul J. Taubman in 2013 (together with its then affiliates, "PJT Capital"), and the combined business was distributed to Blackstone's unitholders to create PJT Partners Inc., a stand-alone, independent publicly traded company. Throughout this Quarterly Report on Form 10-Q, we refer to thistransaction as the "spin-off." PJT Partners Inc. is a holding company and its only material asset is its controlling equity interest in PJT Partners Holdings LP, a holding partnership that holds the company's operating subsidiaries, and certain cash and cash equivalents it may hold from time to time. As the sole general partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs of PJT Partners Holdings LP and its operating subsidiaries.

Additionally in this Quarterly Report on Form 10-Q, unless the context requires otherwise, the words "PJT Partners Inc." refers to PJT Partners Inc., and "PJT Partners," the "Company," "we," "us" and "our" refer to PJT Partners Inc., together with its consolidated subsidiaries, including PJT Partners Holdings LP and its operating subsidiaries.

Forward-Looking Statements

Certain material presented herein contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include certain information concerning future results of operations, business strategies, acquisitions, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "might," "should," "could" or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in such forward-looking statements. You should not put undue reliance on any forward-looking statements contained herein. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

The risk factors discussed in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2017, filed with the United States Securities and Exchange Commission ("SEC"), as such factors may be updated from time to time in our periodic filings with the SEC, accessible on the SEC's website at www.sec.gov, could cause our results to differ materially from those expressed in forward-looking statements. There may be other risks and uncertainties that we are unable to predict at this time or that are not currently expected to have a material adverse effect on our business. Any such risks could cause our results to differ materially from those expressed in forward-looking statements.

Website Disclosure

We use our website (www.pjtpartners.com) as a channel of distribution of company information. The information we post may be deemed material. Accordingly, investors should monitor the website, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive e-mail alerts and other information about PJT Partners when you enroll your e-mail address by visiting the "Investor Relations" page of our website at ir.pjtpartners.com/investor-relations. Although we refer to our website in this report, the contents of our website are not included or incorporated by reference into this report. All references to our website in this report are intended to be inactive textual references only.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

PJT Partners Inc.
Condensed Consolidated Statements of Financial Condition (Unaudited)
(Dollars in Thousands, Except Share and Per Share Data)

	September 30, 2018	December 31, 2017
Assets		
Cash and Cash Equivalents	$ 166,374	$ 145,619
Investments	25,837	37,121
Accounts Receivable (net of allowance for doubtful accounts of $2,263 and $1,934 at September 30, 2018 and December 31, 2017, respectively)	191,820	190,389
Furniture, Equipment and Leasehold Improvements, Net	35,498	33,789
Intangible Assets, Net	10,544	12,295
Goodwill	72,286	72,286
Deferred Tax Asset, Net	54,899	44,002
Taxes Receivable	8,655	8,666
Other Assets	15,769	14,798
Total Assets	$ 581,682	$ 558,965
Liabilities and Equity (Deficit)		
Accrued Compensation and Benefits	$ 101,428	$ 96,944
Accounts Payable, Accrued Expenses and Other Liabilities	19,522	16,873
Deferred Rent Liability	16,613	17,042
Amount Due Pursuant to Tax Receivable Agreement	6,102	2,857
Taxes Payable	2,938	2,413
Deferred Revenue	5,696	382
Total Liabilities	152,299	136,511
Commitments and Contingencies		
Equity (Deficit)		
Class A Common Stock, par value $0.01 per share (3,000,000,000 shares authorized; 21,996,601 and 18,599,454 issued at September 30, 2018 and December 31, 2017, respectively; 21,270,967 and 18,539,121 outstanding at September 30, 2018 and December 31, 2017, respectively)	220	186
Class B Common Stock, par value $0.01 per share (1,000,000 shares authorized; 208 issued and outstanding at September 30, 2018; 221 issued and outstanding at December 31, 2017)	—	—
Additional Paid-In Capital	60,107	30,674
Accumulated Deficit	(176,110)	(185,991)
Accumulated Other Comprehensive Income (Loss)	(150)	155
Treasury Stock at Cost (725,634 and 60,333 shares of Class A Common Stock at September 30, 2018 and December 31, 2017, respectively)	(38,099)	(2,302)
Total PJT Partners Inc. Equity (Deficit)	(154,032)	(157,278)
Non-Controlling Interests	583,415	579,732
Total Equity	429,383	422,454
Total Liabilities and Equity	$ 581,682	$ 558,965

See notes to condensed consolidated financial statements.

PJT Partners Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(Dollars in Thousands, Except Share and Per Share Data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenues				
Advisory Fees	$ 117,161	$ 60,457	$ 318,918	$ 233,145
Placement Fees	18,229	15,907	72,481	68,912
Interest Income and Other	4,753	2,086	13,456	6,672
Total Revenues	140,143	78,450	404,855	308,729
Expenses				
Compensation and Benefits	99,875	68,018	297,780	251,258
Occupancy and Related	6,641	6,746	20,017	19,611
Travel and Related	5,449	3,369	16,906	9,325
Professional Fees	6,072	6,374	15,290	15,366
Communications and Information Services	2,781	2,556	9,521	7,823
Depreciation and Amortization	2,263	2,038	6,362	6,152
Other Expenses	4,980	4,963	14,140	14,803
Total Expenses	128,061	94,064	380,016	324,338
Income (Loss) Before Benefit for Taxes	12,082	(15,614)	24,839	(15,609)
Benefit for Taxes	(197)	(13,258)	(5,189)	(15,647)
Net Income (Loss)	12,279	(2,356)	30,028	38
Net Income (Loss) Attributable to Non-Controlling Interests	4,729	(5,699)	10,297	(4,853)
Net Income Attributable to PJT Partners Inc.	$ 7,550	$ 3,343	$ 19,731	$ 4,891
Net Income Per Share of Class A Common Stock				
Basic	$ 0.34	$ 0.17	$ 0.91	$ 0.25
Diluted	$ 0.33	$ 0.16	$ 0.85	$ 0.22
Weighted-Average Shares of Class A Common Stock Outstanding				
Basic	22,275,847	18,918,181	21,425,766	18,841,975
Diluted	24,112,349	22,918,655	24,047,660	22,417,842
Dividends Declared Per Share of Class A Common Stock	$ 0.05	$ 0.05	$ 0.15	$ 0.15

See notes to condensed consolidated financial statements.

PJT Partners Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)
(Dollars in Thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Net Income (Loss)	$ 12,279	$ (2,356)	$ 30,028	$ 38
Other Comprehensive Income (Loss), Net of Tax —				
Currency Translation Adjustment	(151)	(57)	(613)	5
Comprehensive Income (Loss)	12,128	(2,413)	29,415	43
Less:				
Comprehensive Income (Loss) Attributable to Non-Controlling Interests	4,655	(5,732)	9,989	(4,849)
Comprehensive Income Attributable to PJT Partners Inc.	$ 7,473	$ 3,319	$ 19,426	$ 4,892

See notes to condensed consolidated financial statements.

PJT Partners Inc.
Condensed Consolidated Statements of Changes in Equity (Deficit) (Unaudited)
(Dollars in Thousands, Except Share Data)

	Shares								
	Class A Common Stock	Class B Common Stock	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income	Total	Redeemable Non-Controlling Interests
Balance at December 31, 2016	18,003,272	271	$ 180	$ —	$ 9,145	$ (17,946)	$ 61	$ (8,560)	$ 421,976
Net Income (Loss)	—	—	—	—	—	4,891	—	4,891	(4,853)
Currency Translation Adjustment	—	—	—	—	—	—	1	1	4
Dividends	—	—	—	—	—	(2,849)	—	(2,849)	—
Tax Distributions	—	—	—	—	—	—	—	—	(19,125)
Equity-Based Compensation	—	—	—	—	55,781	—	—	55,781	32,598
Forfeiture Liability for Equity Awards	—	—	—	—	177	—	—	177	—
Net Share Settlement	—	—	—	—	(4,025)	—	—	(4,025)	(35)
Deliveries of Vested Shares of Class A Common Stock	581,888	—	6	—	(6)	—	—	—	—
Issuance of Shares of Class B Common Stock	—	11	—	—	(2,789)	—	—	(2,789)	2,789
Forfeitures of Shares of Class B Common Stock	—	(3)	—	—	1,939	—	—	1,939	(1,939)
Cash-Settled Exchanges of Partnership Units	—	(40)	—	—	508	—	—	508	(39,364)
Adjustment of Redeemable Non-Controlling Interests to Redemption Value	—	—	—	—	(50,526)	(131,695)	—	(182,221)	182,221
Balance at September 30, 2017	18,585,160	239	$ 186	$ —	$ 10,204	$ (147,599)	$ 62	$ (137,147)	$ 574,272

(continued)

See notes to condensed consolidated financial statements.

PJT Partners Inc.
Condensed Consolidated Statements of Changes in Equity (Deficit) (Unaudited)
(Dollars in Thousands, Except Share Data)

	Shares										
	Class A Common Stock	Class B Common Stock	Treasury Stock	Class A Common Stock	Class B Common Stock	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Non-Controlling Interests	Total
Balance at December 31, 2017	18,599,454	221	(60,333)	$ 186	$ —	$ 30,674	$ (185,991)	$ 155	$ (2,302)	$ 579,732	$ 422,454
Adoption of Accounting Standard	—	—	—	—	—	—	(6,696)	—	—	—	(6,696)
Net Income	—	—	—	—	—	—	19,731	—	—	10,297	30,028
Currency Translation Adjustment	—	—	—	—	—	—	—	(305)	—	(308)	(613)
Dividends	—	—	—	—	—	—	(3,154)	—	—	—	(3,154)
Tax Distributions	—	—	—	—	—	—	—	—	—	(15)	(15)
Equity-Based Compensation	—	—	—	—	—	57,250	—	—	—	33,276	90,526
Forfeiture Liability for Equity Awards	—	—	—	—	—	(545)	—	—	—	—	(545)
Net Share Settlement	—	—	—	—	—	(21,681)	—	—	—	—	(21,681)
Deliveries of Vested Shares of Class A Common Stock	3,397,147	—	—	34	—	(34)	—	—	—	—	—
Issuance of Shares of Class B Common Stock	—	8	—	—	—	(6,810)	—	—	—	6,810	—
Forfeitures of Shares of Class B Common Stock	—	(3)	—	—	—	678	—	—	—	(678)	—
Cash-Settled Exchanges of Partnership Units	—	(18)	—	—	—	575	—	—	—	(45,699)	(45,124)
Treasury Stock Purchases	—	—	(665,301)	—	—	—	—	—	(35,797)	—	(35,797)
Balance at September 30, 2018	21,996,601	208	(725,634)	$ 220	$ —	$ 60,107	$ (176,110)	$ (150)	$ (38,099)	$ 583,415	$ 429,383

See notes to condensed consolidated financial statements.

PJT Partners Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited)
(Dollars in Thousands)

	Nine Months Ended September 30,	
	2018	**2017**
Operating Activities		
Net Income	$ 30,028	$ 38
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities		
Equity-Based Compensation Expense	90,526	88,379
Depreciation and Amortization Expense	6,362	6,152
Bad Debt Expense	331	525
Foreign Currency Transaction Loss	952	—
Deferred Taxes	(6,923)	(18,389)
Other	(2,189)	(1,872)
Cash Flows Due to Changes in Operating Assets and Liabilities		
Accounts Receivable	(11,841)	62,895
Taxes Receivable	11	(12,196)
Other Assets	(1,261)	3,670
Accrued Compensation and Benefits	5,802	(62,884)
Accounts Payable, Accrued Expenses and Other Liabilities	1,892	5,545
Deferred Rent Liability	(295)	102
Taxes Payable	563	(460)
Deferred Revenue	4,313	(365)
Net Cash Provided by Operating Activities	118,271	71,140
Investing Activities		
Purchases of Investments	(22,000)	(55,173)
Maturities of Investments	36,168	—
Purchases of Furniture, Equipment and Leasehold Improvements	(6,464)	(844)
Net Cash Provided by (Used in) Investing Activities	7,704	(56,017)
Financing Activities		
Dividends	(3,154)	(2,849)
Tax Distributions	(15)	(19,125)
Employee Taxes Paid for Shares Withheld	(21,681)	(4,060)
Cash-Settled Exchanges of Partnership Units	(45,699)	(39,364)
Treasury Stock Purchases	(35,797)	—
Payments Pursuant to Tax Receivable Agreement	(10)	—
Principal Payments on Capital Lease Obligations	(76)	(72)
Net Cash Used in Financing Activities	(106,432)	(65,470)
Effect of Exchange Rate Changes on Cash and Cash Equivalents	1,212	197
Net Increase (Decrease) in Cash and Cash Equivalents	20,755	(50,150)
Cash and Cash Equivalents, Beginning of Period	145,619	152,431
Cash and Cash Equivalents, End of Period	$ 166,374	$ 102,281
Supplemental Disclosure of Cash Flows Information		
Payments for Income Taxes, Net of Refunds Received	$ 1,105	$ 15,392
Non-Cash Receipt of Shares	$ 2,254	$ —

See notes to condensed consolidated financial statements.

1. ORGANIZATION

PJT Partners Inc. and its consolidated subsidiaries (the "Company" or "PJT Partners") deliver a wide array of strategic advisory, shareholder engagement, restructuring and special situations and private fund advisory and placement services to corporations, financial sponsors, institutional investors and governments around the world. The Company offers a unique portfolio of advisory services designed to help clients achieve their strategic objectives. Also, through Park Hill, the Company provides private fund advisory and placement services for alternative investment managers, including private equity funds, real estate funds and hedge funds.

On October 1, 2015, The Blackstone Group L.P. ("Blackstone" or the "former Parent") distributed on a pro rata basis to its common unitholders all of the issued and outstanding shares of Class A common stock of PJT Partners Inc. held by it. This pro rata distribution is referred to as the "Distribution." The separation of the PJT Partners business from Blackstone and related transactions, including the Distribution, the internal reorganization that preceded the Distribution and the acquisition by PJT Partners of PJT Capital LP (together with its general partner and their respective subsidiaries, "PJT Capital") that occurred substantially concurrently with the Distribution, is referred to as the "spin-off."

PJT Partners Inc. is the sole general partner of PJT Partners Holdings LP. PJT Partners Inc. owns less than 100% of the economic interest in PJT Partners Holdings LP, but has 100% of the voting power and controls the management of PJT Partners Holdings LP. As of September 30, 2018, the non-controlling interest was 42.7%. As the sole general partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs and consolidates the financial results of PJT Partners Holdings LP and its operating subsidiaries. The Company operates through the following subsidiaries: PJT Partners LP, Park Hill Group LLC, PJT Partners (UK) Limited and PJT Partners (HK) Limited.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company prepared the accompanying condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the instructions to Form 10-Q. The condensed consolidated financial statements, including these notes, are unaudited and exclude some of the disclosures required in annual financial statements. Management believes it has made all necessary adjustments (consisting of only normal recurring items) so that the condensed consolidated financial statements are presented fairly and that estimates made in preparing its condensed consolidated financial statements are reasonable and prudent. The operating results presented for interim periods are not necessarily indicative of the results that may be expected for any other interim period or for the entire year. These condensed consolidated financial statements should be read in conjunction with the audited consolidated and combined financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Intercompany transactions have been eliminated for all periods presented.

For a comprehensive disclosure of the Company's significant accounting policies, see Note 2. "Summary of Significant Accounting Policies" in the "Notes to Consolidated and Combined Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Certain prior year amounts have been reclassified to conform to the current year presentation.

(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)

Recent Accounting Developments

In June 2014, the Financial Accounting Standards Board ("FASB") issued amended guidance on revenue from contracts with customers. The Company adopted the guidance using the modified retrospective approach as of January 1, 2018 applied to those contracts that were not completed as of January 1, 2018. The Company recognized the cumulative effect of initially applying the new revenue guidance as an adjustment to the opening balance of Accumulated Deficit. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. On an ongoing basis, the effect of the change in timing of revenue and expense recognition could be material to any given reporting period.

The impact of the changes to the Company's Condensed Consolidated Statement of Financial Condition for the adoption of the new revenue guidance was as follows:

	December 31, 2017	Adjustments	January 1, 2018
Assets			
Accounts Receivable, Net	$ 190,389	$ (5,681)	$ 184,708
Liabilities			
Deferred Revenue	382	1,015	1,397
Equity (Deficit)			
Accumulated Deficit	(185,991)	(6,696)	(192,687)

In accordance with the new revenue guidance requirements, the disclosure of the impact of adoption on the Condensed Consolidated Statement of Financial Condition and Statement of Operations is as follows as of and for the three and nine months ended September 30, 2018:

	Three Months Ended September 30, 2018		
	As Reported	Without Adoption of Revenue Standard	Effect of Change
Statement of Operations			
Revenues			
Advisory Fees	$ 117,161	$ 117,062	$ 99
Interest Income and Other	4,753	2,461	2,292
Expenses			
Occupancy and Related	6,641	6,593	48
Travel and Related	5,449	3,504	1,945
Professional Fees	6,072	5,574	498
Communications and Information Services	2,781	2,686	95
Other Expenses	4,980	4,935	45
Income Before Benefit for Taxes	12,082	12,322	(240)
Benefit for Taxes	(197)	(110)	(87)
Net Income	12,279	12,432	(153)

(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)

	As of and Nine Months Ended September 30, 2018		
	As Reported	Without Adoption of Revenue Standard	Effect of Change
Statement of Operations			
Revenues			
Advisory Fees	$ 318,918	$ 319,037	$ (119)
Interest Income and Other	13,456	6,798	6,658
Expenses			
Occupancy and Related	20,017	19,888	129
Travel and Related	16,906	11,245	5,661
Professional Fees	15,290	14,324	966
Communications and Information Services	9,521	9,224	297
Other Expenses	14,140	13,997	143
Income Before Benefit for Taxes	24,839	25,496	(657)
Benefit for Taxes	(5,189)	(4,970)	(219)
Net Income	30,028	30,466	(438)
Statement of Financial Condition			
Accounts Receivable, Net	191,820	198,229	(6,409)
Taxes Receivable	8,655	8,436	219
Deferred Revenue	5,696	4,751	945
Total Equity	429,383	436,517	(7,134)

The change between the balances as reported under new and previous accounting guidance is primarily related to the accounting for reimbursable expenses, which were previously reported net and are now reported on a gross basis in both revenues and expenses on the statement of operations. Additionally, under the new revenue guidance, the Company has applied a measure of progress to certain fees that are recognized over time but were previously earned in full at the time of the revenue event.

In February 2016, the FASB issued new guidance regarding leases. The guidance requires lessees to recognize, on the balance sheet, assets and liabilities for the rights and obligations created by leases. Entities are also required to provide enhanced disclosure about leasing arrangements. The amendments retain lease classifications, distinguishing finance leases from operating leases, using criteria that are substantially similar for distinguishing capital leases from operating leases in previous guidance. The guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018, with early adoption permitted. Adoption requires a modified retrospective approach or through a cumulative-effect adjustment to the opening balance of retained earnings. Based on the Company's initial evaluation, adoption on January 1, 2019 will result in the present value of the Company's lease commitments that have a term in excess of one year being recorded on the Company's Consolidated Statements of Financial Condition as a right-of-use asset with a corresponding liability. The Company's lease commitments, as discussed in Note 12. "Commitments and Contingencies—Commitments, Leases," primarily relate to office space. The lease-related assets will be amortized to expense over the life of the leases and the liability, and related interest expense, will be reduced as lease payments are made over the life of the lease. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements and the transition method.

In June 2016, the FASB issued guidance regarding the measurement of credit losses on financial instruments. The new guidance replaces the incurred loss impairment methodology with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The guidance is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. Early adoption is permitted for fiscal years beginning after December 15, 2018. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements.

(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)

In November 2016, the FASB issued guidance that requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash or restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. Adoption required a retrospective approach. The Company adopted this guidance on January 1, 2018 with no impact on its Condensed Consolidated Statements of Cash Flows.

In January 2017, the FASB issued guidance clarifying the definition of a business with the objective of assisting entities with evaluating whether transactions should be accounted for as acquisitions of assets or businesses. The guidance becomes effective for the Company in the first quarter of 2019 and is applied prospectively. The Company is currently assessing the impact that adoption of this guidance will have on its consolidated financial statements.

In May 2017, the FASB issued updated guidance on modifications to share-based payment awards. The updated guidance requires entities to account for the effects of a modification to a share-based payment award unless the following are all the same immediately before and after the modification: (a) the fair value of the award, (b) the vesting conditions of the award, and (c) the classification of the award as an equity instrument or a liability instrument. The guidance is applied on a prospective basis. The Company adopted this guidance on January 1, 2018 with no impact on its consolidated financial statements.

In February 2018, the FASB issued guidance, which allows a reclassification from accumulated other comprehensive income to retained earnings for stranded tax effects resulting from the Tax Cuts and Jobs Act (the "Tax Legislation"). The guidance is effective for annual and interim periods beginning after December 15, 2018, with early adoption permitted. The Company is currently evaluating the new guidance, but does not expect the impact to be material on its consolidated financial statements.

3. REVENUES FROM CONTRACTS WITH CUSTOMERS

The following table reconciles revenues earned from contracts with customers to Total Revenues on the Condensed Consolidated Statement of Operations for the three and nine months ended September 30, 2018:

	Three Months Ended September 30, 2018	Nine Months Ended September 30, 2018
Advisory Fees	$ 117,161	$ 318,918
Placement Fees	18,229	72,481
Interest Income from Placement Fees	1,245	3,665
Reimbursable Expenses	2,292	6,658
Revenues from Contracts with Customers	138,927	401,722
Sublease Income and Other	1,216	3,133
Total Revenues	$ 140,143	$ 404,855

The services provided under contracts with customers include advisory and placement services, which are recorded as Advisory Fees and Placement Fees, respectively, on the Condensed Consolidated Statements of Operations. Additionally, the Company is typically reimbursed for certain professional fees and other expenses incurred that are necessary in order to provide services to the customer. These fees are charged to the relevant expense caption in the Condensed Consolidated Statements of Operations when incurred and recognized as revenue and recorded in accounts receivable when these amounts are invoiced to the customer. Such revenue amounts are recorded in Interest Income and Other on the Condensed Consolidated Statements of Operations.

At contract inception, the Company assesses the services promised in its contracts with customers and identifies aperformance obligation for each promise to transfer to the customer a service (or a bundle of services) that is distinct. To identify the performance obligations, the Company considers all of the services promised in the contract regardless of whether they are explicitly stated or are implied by customary business practices.

Advisory Fees

Strategic advisory services include a broad range of financial advisory and restructuring services, which includes providing financial advice regarding acquisitions, mergers, joint ventures, minority investments, asset swaps, divestitures, takeover defenses, corporate finance, distressed sales, recapitalizations and restructurings, including raising various forms of financing, and portfolio liquidity solutions related to unfunded commitment relief and investments in secondary markets.

With respect to contracts for which Advisory Fees are recognized, the Company's primary performance obligation isto stand ready to perform a broad range of services the client may need over the course of the engagement. For such engagements, the customer obtains a benefit from the assurance that the Company is available to it, when-and-if needed or desired. Fees related to these stand-ready performance obligations are recognized over time using a time-based measure of progress.

The Company may also be engaged toprovide a fairness opinion to the client or the client may request that the Company arrange interim financing. The Company determines that the delivery of either of these items represents a separate performance obligation that is satisfied at a point in time when the opinion or interim financing is delivered to the client as the customer is able to direct the use of, and obtain substantially all of the benefits from, the service at that point.

Advisory Fees are predominantly considered variable as they aresusceptible to factors outside of the Company's influence and/or contain a large number and broad range of possible consideration amounts. As such, these amounts are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved, which is expected to occur upon achievement of the specified event. The types of fees may vary in each engagement, but payments for Advisory Fees are generally due promptly upon completion of a specified event or, for retainer fees, periodically over the course of the engagement. The Company recognizes a receivable between the date of completion of the event and payment by the customer.

Placement Fees

The Company's fund placement services are provided within Park Hill and primarily serve private equity, real estate and hedge funds. Park Hill advises on all aspects of the fundraising process including competitive positioning and market assessment, marketing materials and related documentation and partnership terms and conditions most prevalent in the current environment. The Company also provides private placement fundraising services to corporate clients and earns placement fees based on successful completion of the transaction.

With respect to placement engagements, the Company has determined that the provision of overall capital advisory services in contemplation of a potential fund placement or capital raise is satisfied over time. Fees related to this performance obligation are recognized over time using a time-based method as the customer simultaneously receives and consumes the benefits of the capital advisory services as they are provided.

Placement Fees are predominantly considered variable as they are susceptible to factors outside of the Company's influence and/or contain a large number and broad range of possible consideration amounts. As such, these amounts are excluded from the transaction price until the uncertainty associated with the variable consideration is subsequently resolved, which is expected to occur upon achievement of a specified event Placement Fees are typically payable upon completion of a fund closing or may be paid in installments over three or four years with interest being charged to the outstandingbalance. With respect to such fees paid over time, theCompany has determined there is not a significant financing component related to such contracts. Placement fees earned for services to corporate clients are typically payable upon completion.The Company recognizes a receivable between the date of completion of the event and payment by the customer.

Determining the Timing of Satisfaction of Performance Obligations

For performance obligations that are satisfied over time, determining a measure of progress requires management to make judgments that affect the timing of revenue recognized. The Company has determined that the methods described above provide a faithful depiction of the transfer of services to the customer.

For performance obligations that are satisfied at a point in time, the Company has determined that the customer is able to direct the use of, and obtain substantially all of the benefits from, the output of the service at the time it is provided to the client. Additionally, the Company considers control to have transferred at that point because the Company has a present right to payment, the Company has transferred the output of the service and the customer has significant risks and rewards of ownership.

Remaining Performance Obligations and Revenue Recognized from Past Performance

As of September 30, 2018, the aggregate amount of the transaction price allocated to performance obligations yet to be satisfied is $7.9 million and the Company generally expects to recognize this revenue within the next twelve months. Such amounts relate to the Company's performance obligations of providing capital advisory services and standing ready to perform.

During the three and nine months ended September 30, 2018, the Company recognized revenue of $0.9 million and $13.0 million, respectively, related to performance obligations that were fully satisfied in prior periods, primarily due to constraints on variable consideration in prior periods being resolved. Such amounts related primarily to the provision of capital advisory services. The majority of Fee Revenue recognized by the Company during the three and nine months ended September 30, 2018 was predominantly related to performance obligations that were partially satisfied in prior periods.

Contract Balances

The timing of revenue recognition may differ from the timing of payment. The Company records a receivable when revenue is recognized prior to payment and the Company has an unconditional right to payment. The beginning and ending balances of Accounts Receivable, Net are included in the Condensed Consolidated Statements of Financial Condition. There were no significant impairments related to these receivables during the nine months ended September 30, 2018.

The Company may receive non-refundable up-front fees in its contracts with customers, which are recorded as revenues in the period over which services are estimated to be provided. Additionally, the Company may receive payment of certain announcement, retainer or milestone fees before the performance obligation has been fully satisfied. Such fees give rise to a contract liability and are recorded as Deferred Revenue in the Condensed Consolidated Statements of Financial Condition. The beginning and ending balances of Deferred Revenue are included in the Condensed Consolidated Statements of Financial Condition. For the nine months ended September 30, 2018, $1.4 million of revenue was recognized that was included in the beginning balance of Deferred Revenue, primarily related to the Company's performance obligation of standing ready to perform. In certain contracts, the Company receives customer deposits, which are also considered to be contract liabilities. As of September 30, 2018 and December 31, 2017, the Company recorded $1.5 million and $1.2 million, respectively, of

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customer deposits in Accounts Payable, Accrued Expenses and Other Liabilities in the Condensed Consolidated Statements of Financial Condition.

The Company does not establish a provision for refunds or similar obligations. Additionally, the Company is the principal in the satisfaction of performance obligations.

To obtain a contract with a customer, the Company may incur costs such as advertising, marketing costs, bid and proposal costs and legal fees. The Company has determined that these costs would have been incurred regardless of whether the contract with the customer was obtained. Additionally, the Company does not expect to recover any of these costs from the customer; therefore, the costs of obtaining contracts with customers are expensed as incurred.

The compensation of employees assigned to provide services to customers are direct costs of fulfilling the contract. In addition, out-of-pocket expenses may be incurred as part of fulfilling the promised services under the contract. As these costs are related to performance obligations that are satisfied over time, the costs do not meet the criteria for capitalization.

4. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Included in Accounts Receivable are long-term receivables of $68.5 million and $77.7 million as of September 30, 2018 and December 31, 2017, respectively, related to placement fees that are generally paid in installments over a period of three to four years. The carrying value of such long-term receivables approximates fair value. Long-term receivables are classified as Level II in the fair value hierarchy.

The Company does not have any long-term receivables on non-accrual status. Of receivables that originated as long-term, there were $5.5 million and $2.5 million as of September 30, 2018 and December 31, 2017, respectively, which were outstanding more than 90 days. There was no allowance for doubtful accounts with respect to such receivables as of September 30, 2018 or December 31, 2017.

5. INTANGIBLE ASSETS

Intangible Assets, Net consists of the following:

	September 30, 2018	December 31, 2017
Finite-Lived Intangible Assets		
Customer Relationships	$ 26,476	$ 26,476
Trade Name	5,700	5,700
Total Intangible Assets	32,176	32,176
Accumulated Amortization	(21,632)	(19,881)
Intangible Assets, Net (a)	$ 10,544	$ 12,295

(a) Excludes fully amortized intangible assets.

Amortization expense was $0.6 million and $1.8 million for the three and nine months ended September 30, 2018, respectively, and $0.6 million and $1.8 million for the three and nine months ended September 30, 2017, respectively.

Amortization of intangible assets held at September 30, 2018 is expected to be $2.3 million for each of the years ending December 31, 2018, 2019, 2020 and 2021; and $1.4 million for the year ending December 31, 2022.

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6. FURNITURE, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Furniture, Equipment and Leasehold Improvements, Net consists of the following:

	September 30, 2018	December 31, 2017
Office Equipment	$ 2,141	$ 1,758
Leasehold Improvements	37,983	33,713
Furniture and Fixtures	13,453	11,886
Total Furniture, Equipment and Leasehold Improvements	53,577	47,357
Accumulated Depreciation	(18,079)	(13,568)
Furniture, Equipment and Leasehold Improvements, Net	$ 35,498	$ 33,789

Depreciation expense was $1.7 million and $4.6 million for the three and nine months ended September 30, 2018, respectively, and $1.5 million and $4.3 million for the three and nine months ended September 30, 2017, respectively.

7. FAIR VALUE MEASUREMENTS

The following tables summarize the valuation of the Company's investments by the fair value hierarchy:

	September 30, 2018			
	Level I	Level II	Level III	Total
U.S. Treasury Securities	$ —	$ 23,131	$ —	$ 23,131
Common Stock	2,706	—	—	2,706
Total Investments	$ 2,706	$ 23,131	$ —	$ 25,837

	December 31, 2017			
	Level I	Level II	Level III	Total
U.S. Treasury Securities	$ —	$ 37,121	$ —	$ 37,121

Investments in common stock are measured based on quoted closing exchange prices and are categorized within Level I of the fair value hierarchy. To the extent these securities are actively traded, valuation adjustments are not applied.

During the three and nine months ended September 30, 2018 and 2017, there were no transfers from Level I to Level II related to U.S. Treasury securities that were initially acquired as on-the-run and classified as Level I, but subsequently transferred to Level II as a result of becoming off-the-run. There were also no transfers between Level I, Level II or Level III during the three and nine months ended September 30, 2018 and 2017.

8. INCOME TAXES

The following table summarizes the Company's tax position:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Income (Loss) Before Benefit for Taxes	$ 12,082	$ (15,614)	$ 24,839	$ (15,609)
Benefit for Taxes	$ (197)	$ (13,258)	$ (5,189)	$ (15,647)
Effective Income Tax Rate	(1.6)%	84.9%	(20.9)%	100.2%

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The Company's effective tax rate differed from the U.S. federal statutory tax rate for the three and nine months ended September 30, 2018 due to corporate entities subject to U.S. federal, state, local and foreign income taxes, to non-corporate entities that are subject to New York City Unincorporated Business Tax and to certain compensation charges that are not deductible for income tax purposes.

The change in tax rate between the nine months ended September 30, 2018 and 2017 was primarily due to the decrease in U.S. corporate income tax rate related to the passage of the Tax Legislation in December 2017 as well as an increased tax benefit related to the deliveries of vested shares during the nine months ended September 30, 2018 at values in excess of their amortized cost.

As of September 30, 2018, the Company continues to evaluate its provisional estimate as it relates to (a) the measurement of deferred tax assets and liabilities subject to the income tax rate change from 35% to 21%, including the state tax impact on these items; (b) potential changes in interpretations of the Tax Legislation; and (c) changes in interpretation of accounting standards for income taxes. As the Company finalizes the analysis of the impact of the Tax Legislation, additional adjustments may be recorded during the measurement period, which could be material.

As of September 30, 2018, the Company had no unrecognized tax benefits.

9. NET INCOME PER SHARE OF CLASS A COMMON STOCK

Basic and diluted net income per share of Class A common stock for the three and nine months ended September 30, 2018 and 2017 is presented below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Numerator:				
Net Income Attributable to PJT Partners Inc.	$ 7,550	$ 3,343	$ 19,731	$ 4,891
Less:				
Dividends on Participating Securities	8	20	92	68
Net Income Attributable to Participating Securities	36	50	110	51
Net Income Attributable to Shares of Class A Common Stock — Basic	7,506	3,273	19,529	4,772
Incremental Net Income from Dilutive Securities	342	286	971	123
Net Income Attributable to Shares of Class A Common Stock — Diluted	$ 7,848	$ 3,559	$ 20,500	$ 4,895
Denominator:				
Weighted-Average Shares of Class A Common Stock Outstanding — Basic	22,275,847	18,918,181	21,425,766	18,841,975
Weighted-Average Number of Incremental Shares from Unvested RSUs	1,836,502	4,000,474	2,621,894	3,575,867
Weighted-Average Shares of Class A Common Stock Outstanding — Diluted	24,112,349	22,918,655	24,047,660	22,417,842
Net Income Per Share of Class A Common Stock				
Basic	$ 0.34	$ 0.17	$ 0.91	$ 0.25
Diluted	$ 0.33	$ 0.16	$ 0.85	$ 0.22

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Common units of partnership interest in PJT Partners Holdings LP ("Partnership Units") may be exchanged for PJT Partners Inc. Class A common stock on a one-for-one basis, subject to applicable vesting and transfer restrictions. If all Partnership Units were exchanged for Class A common stock, weighted-average Class A common stock outstanding would be 38,661,709 and 36,900,877 for the three and nine months ended September 30, 2018, respectively, excluding unvested restricted stock units ("RSUs") and participating RSUs. In computing the dilutive effect, if any, which the aforementioned exchange would have on net income per share, net income attributable to holders of Class A common stock would be adjusted due to the elimination of the non-controlling interests associated with the Partnership Units (including any tax impact). For the three and nine months ended September 30, 2018, such exchange is reflected in diluted net income per share.

The following table summarizes the anti-dilutive securities for the three and nine months ended September 30, 2018 and 2017 that have been excluded from the calculation of net income per share of Class A common stock:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Weighted-Average Unvested RSUs	(a)	(a)	(a)	(a)
Weighted-Average Participating RSUs	125,388	405,472	143,856	479,957
Weighted-Average Partnership Units	16,385,862	14,735,203	15,475,111	15,088,535

(a) These securities were determined to be dilutive.

Share Repurchase Program

On October 26, 2017, the Company's board of directors authorized the repurchase of shares of the Company's Class A common stock in an amount up to $100 million. Under this repurchase program, shares of the Company's Class A common stock may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of shares repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

During the nine months ended September 30, 2018, the Company repurchased 665,301 shares of Class A common stock at an average price of $53.78, or $35.8 million in aggregate, pursuant to this share repurchase program. As of September 30, 2018, the available amount remaining for repurchases under this program was $61.9 million.

10. EQUITY-BASED COMPENSATION

Overview

Further information regarding the Company's equity-based compensation awards is described in Note 10. "Equity-Based Compensation" in the "Notes to Consolidated and Combined Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

The following table represents equity-based compensation expense and related income tax benefit for the three and nine months ended September 30, 2018 and 2017, respectively:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Equity-Based Compensation Expense	$ 26,372	$ 27,689	$ 90,526	$ 88,379
Income Tax Benefit	$ 2,057	$ 3,600	$ 7,513	$ 11,910

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Restricted Stock Units

Pursuant to the PJT Partners Inc. 2015 Omnibus Incentive Plan and in connection with the spin-off, annual compensation process and ongoing hiring process, the Company has issued RSUs, which generally vest over a service life of three to five years. Awards are generally forfeited if the employee ceases to be employed by the Company prior to vesting.

A summary of the status of the Company's unvested RSUs in PJT Partners Inc. and PJT Partners Holdings LP as of September 30, 2018 and of changes during the period January 1, 2018 through September 30, 2018 is presented below:

	Restricted Stock Units			
	PJT Partners Inc.		PJT Partners Holdings LP	
	Number of Units	Weighted-Average Grant Date Fair Value (in dollars)	Number of Partnership Units	Weighted-Average Grant Date Fair Value (in dollars)
Balance, December 31, 2017	6,455,734	$ 25.00	244,000	$ 31.76
Granted	2,027,438	47.79	—	—
Vested	(4,411,673)	22.54	(133,331)	26.86
Forfeited	(41,315)	39.13	(12,374)	41.58
Dividends Reinvested on RSUs	9,879	41.72	—	—
Balance, September 30, 2018	4,040,063	$ 39.02	98,295	$ 37.17

As of September 30, 2018, there was $90.4 million of estimated unrecognized compensation expense related to unvested RSU awards. The Company assumes a forfeiture rate of 1.0% to 9.0% annually based on expected turnover and periodically reassesses this rate. This cost is expected to be recognized over a weighted-average period of 1.2 years.

Partnership Units

In connection with the spin-off, annual compensation process and ongoing hiring process, certain individuals were issued Partnership Units that, subject to certain terms and conditions, are redeemable at the option of the holder for cash or, at the Company's election, for shares of PJT Partners Inc. Class A common stock on a one-for-one basis. These Partnership Units generally vest over a service life of three to five years.

A summary of the status of the Company's unvested Partnership Units as of September 30, 2018 and of changes during the period January 1, 2018 through September 30, 2018 is presented below:

	Partnership Units	
	Number of Partnership Units	Weighted-Average Grant Date Fair Value (in dollars)
Balance, December 31, 2017	4,698,423	$ 21.54
Granted	131,773	51.68
Vested	(72,523)	24.72
Balance, September 30, 2018	4,757,673	$ 22.33

As of September 30, 2018, there was $39.6 million of estimated unrecognized compensation expense related to unvested Partnership Units. The Company assumes a forfeiture rate of 4.0% annually based on expected turnover and periodically reassesses this rate. This cost is expected to be recognized over a weighted-average period of 0.7 years.

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Equity-Based Awards with Both Service and Market Conditions

In connection with the spin-off, the Company also granted equity-based awards containing both service and market conditions. The effect of the market condition is reflected in the grant date fair value of the award. Compensation cost is recognized over the requisite service period, provided that the service period is completed, irrespective of whether the market condition is satisfied. The service condition requirement with respect to such equity-based awards is generally five years with 20% vesting in the third year, 30% in the fourth year and 50% in the fifth year. The market condition requirement will be satisfied upon the publicly traded shares of Class A common stock achieving certain volume-weighted average share price targets over any consecutive 30-day trading period following the consummation of the spin-off, pro ratably at $48, $55, $63, $71 and $79 per share of Class A common stock. During the nine months ended September 30, 2018, the $48 and $55 share price targets were achieved.

The market condition requirements must be met prior to the sixth anniversary of the consummation of the spin-off. No portion of these awards will become vested until both the service and market conditions have been satisfied.

A summary of the status of the Company's unvested equity-based awards in PJT Partners Holdings LP with both a service and market condition as of September 30, 2018 and of changes during the period January 1, 2018 through September 30, 2018 is presented below:

	Equity-Based Awards with Both Service and Market Conditions	
	Number of Partnership Units	Weighted-Average Grant Date Fair Value (in dollars)
Balance, December 31, 2017	6,262,957	$ 5.72
Vested	(502,536)	5.72
Forfeited	(10,128)	5.72
Balance, September 30, 2018	5,750,293	$ 5.72

As of September 30, 2018, there was $7.3 million of estimated unrecognized compensation expense related to equity-based awards with both a service and market condition. The Company assumes a forfeiture rate of 4.0% annually based on expected turnover and periodically reassesses this rate. This cost is expected to be recognized over a weighted-average period of 1.0 years.

Units Expected to Vest

The following unvested units, after expected forfeitures, as of September 30, 2018, are expected to vest:

	Units	Weighted-Average Service Period in Years
Partnership Units	10,353,106	0.9
Restricted Stock Units	3,999,205	1.2
Total Equity-Based Awards	14,352,311	0.9

11. TRANSACTIONS WITH RELATED PARTIES

Exchange Agreement

The Company has entered into an exchange agreement with the limited partners of PJT Partners Holdings LP pursuant to which they (or certain permitted transferees) have the right, subject to the terms and conditions set forth in the limited partnership agreement of PJT Partners Holdings LP, on a quarterly basis, to exchange all or part of their Partnership Units for cash or, at the Company's election, for shares of PJT Partners Inc. Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for splits, unit distributions and reclassifications. Further, pursuant to the terms in the partnership agreement of PJT Partners Holdings LP, the Company may also require holders of Partnership Units who are not Service Providers (as defined in the partnership agreement of PJT Partners Holdings LP) to exchange such Partnership Units.

Further information regarding the exchange agreement is described in Note 12. "Transactions with Related Parties—Exchange Agreement" in the "Notes to Consolidated and Combined Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" in the Company's Annual Report on Form 10-K for the year ended December 31, 2017.

Certain Partnership Unitholders exchanged 918,229 and 1,068,377 Partnership Units for the nine months ended September 30, 2018 and 2017, respectively, for cash in the amounts of $45.7 million and $39.4 million, respectively. Such amounts are recorded as a reduction of Non-Controlling Interests and Redeemable Non-Controlling Interests, respectively, in the Condensed Consolidated Statements of Financial Condition.

During the third quarter of 2018, the Company was presented with 492,986 Partnership Units to be exchanged. The Company expects to settle the exchange of these Partnership Units on November 6, 2018 for cash. The price per Partnership Unit to be paid by the Company will be equal to the volume-weighted average price of a share of the Company's Class A common stock on November 1, 2018.

Registration Rights Agreement

The Company has entered into a registration rights agreement with the limited partners of PJT Partners Holdings LP pursuant to which the Company granted them, their affiliates and certain of their transferees the right, under certain circumstances and subject to certain restrictions, to require the Company to register under the Securities Act of 1933 shares of Class A common stock delivered in exchange for Partnership Units.

Tax Receivable Agreement

The Company has entered into a tax receivable agreement with the holders of Partnership Units (other than PJT Partners Inc.) that provides for the payment by PJT Partners Inc. to exchanging holders of Partnership Units of 85% of the benefits, if any, that PJT Partners Inc. is deemed to realize as a result of the increases in tax basis related to such exchanges of Partnership Units and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. As of September 30, 2018 and December 31, 2017, the Company had amounts due of $6.1 million and $2.9 million, respectively, pursuant to the tax receivable agreement, which represent management's best estimate of the amounts currently expected to be owed in connection with the tax receivable agreement. Actual payments may differ significantly from estimated payments.

Aircraft Lease

On occasion, certain of the Company's executive officers, employees and their families may make use of aircraft in which the Company owns a fractional interest (the "Aircraft"). Any such personal use of the Aircraft is charged to the executive officer or employee based on market rates and usage. The amount is not material to the condensed consolidated financial statements.

12. COMMITMENTS AND CONTINGENCIES

Commitments

Line of Credit

On October 1, 2015, PJT Partners Holdings LP entered into a Loan Agreement (the "Loan Agreement") and related documents with First Republic Bank. The Loan Agreement provides for a revolving credit facility with aggregate commitments in an amount equal to $60.0 million, which aggregate commitments may be increased, on the terms and subject to the conditions set forth in the Loan Agreement, to up to $80.0 million during the period beginning December 1 each year through March 1 of the following year. The proceeds of the revolving credit facility are available for working capital and general corporate purposes. Beginning October 30, 2017, drawings under the credit facility bear interest equal to the greater of a per annum rate of (a) 3%, or (b) the prime rate minus 1.0%. Undrawn commitments bear a commitment fee. The Loan Agreement contains customary representations, covenants and events of default. Financial covenants consist of a minimum consolidated tangible net worth, maximum leverage ratio, minimum consolidated liquidity ratio and limitation on additional indebtedness, each tested quarterly.

On October 30, 2017, PJT Partners Holdings LP entered into a Renewal Agreement (the "Renewal Agreement") and related documents with First Republic Bank, amending the terms of the Company's revolving credit facility under the Loan Agreement. The Renewal Agreement provides for an extension of the maturity of the revolving credit facility to October 1, 2019.

As of September 30, 2018 and December 31, 2017, there were no borrowings under the revolving credit facility and the Company was in compliance with the debt covenants.

Further information regarding an amendment to the Loan Agreement, effective October 1, 2018, may be found in Note 16. "Subsequent Events."

Leases

The Company leases office space under non-cancelable lease agreements, which expire atvarious dates through 2030. Occupancy lease agreements, in addition to base rentals, generally are subject to escalation provisions based on certain costs incurred by the landlord and are recognized on a straight-line basis over the term of the lease agreement.

Total rent expense was $6.1 million and $18.4 million for the three and nine months ended September 30, 2018, respectively, and $6.3 million and $18.4 million for the three and nine months ended September 30, 2017, respectively. Rent expense is included in Occupancy and Related in the Condensed Consolidated Statements of Operations. These amounts include variable operating escalation payments, which are paid when invoiced.

As of September 30, 2018 and December 31, 2017, the Company maintained an irrevocable standby letter of credit for certain operating leases of $4.8 million and $5.0 million, respectively.

Capital lease obligations recorded are payable through 2022 at a weighted-average interest rate of 2.4%. The net book value of all assets recorded under capital leases aggregated $0.2 million and $0.3 million as of September 30, 2018 and December 31, 2017, respectively.

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As of September 30, 2018, the aggregate minimum future payments required on non-cancelable leases are as follows:

	Minimum Lease Payments	
Year Ending December 31,	Capital	Operating
2018	$ 27	$ 5,998
2019	110	23,921
2020	83	22,807
2021	7	22,356
2022	1	22,241
Thereafter	—	90,465
Total Minimum Lease Payments	228	187,788
Less: Amount Representing Interest	6	
Capital Lease Obligation	$ 222	
Less: Sublease Proceeds		15,235
Net Minimum Lease Payments		$ 172,553

Contingencies

Litigation

From time to time, the Company is named as a defendant in legal actions relating to transactions conducted in the ordinary course of business. Some of these matters may involve claims of substantial amounts. Although there can be no assurance of the outcome of such legal actions, in the opinion of management, after consultation with external counsel, the Company believes it is not probable and/or reasonably possible that any current legal proceedings or claims would individually or in the aggregate have a material adverse effect on the condensed consolidated financial statements of the Company.

As previously disclosed, with respect to actual and potential additional claims related to funds fraudulently obtained by Andrew Caspersen, the Company believes that any such claims are without merit and the Company will vigorously defend any such matters.

With respect to the Company's other litigation matters, the Company is not currently able to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support such an assessment, including quantification of a damage demand from plaintiffs, discovery from other parties and investigation of factual allegations, rulings by courts on motions or appeals, analysis by experts or the status of any settlement negotiations.

Guarantee

The Company provides a guarantee to a lending institution for certain loans held by employees for investment in funds of its former Parent, which are secured by the underlying investments in those funds. The amount guaranteed was $10.1 million and $9.7 million as of September 30, 2018 and December 31, 2017, respectively.

Indemnifications

The Company has entered and may continue to enter into contracts, including contracts with Blackstone relating to the spin-off, which contain a variety of indemnification obligations. The Company's maximum exposure under these arrangements is not known; however, the Company currently expects any associated risk of loss to be insignificant. In connection with these matters, the Company has incurred and may continue to incur legal expenses, which are expensed as incurred.

Transactions and Agreements with Blackstone

Employee Matters Agreement

The Company is required to reimburse Blackstone for the value of forfeited unvested equity awards granted to former Blackstone employees that transitioned to PJT Partners in connection with the spin-off. Such reimbursement is recorded in Accounts Payable, Accrued Expenses and Other Liabilities with an offset to Equity in the Condensed Consolidated Statements of Financial Condition. The Company will cash settle the liability to Blackstone quarterly as the forfeitures attributable to these employees crystallize. The accrual for these forfeitures was $0.9 million and $0.4 million as of September 30, 2018 and December 31, 2017, respectively.

Pursuant to the Employee Matters Agreement, the Company has agreed to pay Blackstone the net realized cash benefit resulting from certain compensation-related tax deductions. The amount payable to Blackstone arising from the tax deductions has been recorded in Other Expenses in the Condensed Consolidated Statements of Operations and is payable annually (for periods in which a cash benefit is realized) within nine months of the end of the relevant tax period. As of September 30, 2018 and December 31, 2017, the Company had accrued $4.2 million and $3.1 million, respectively, which the Company anticipates will be payable to Blackstone after the Company files its respective tax returns. The tax deduction and corresponding payable to Blackstone related to such deliveries will fluctuate primarily based on the price of Blackstone common units at the time of delivery.

Tax Matters Agreement

The Company entered into a Tax Matters Agreement with Blackstone that governs the respective rights, responsibilities and obligations of the Company and Blackstone after the spin-off with respect to tax liabilities and benefits, tax attributes, tax contests and other tax sharing regarding U.S. federal, state, local and foreign income taxes, other tax matters and related tax returns. The Company has joint and several liability with Blackstone to the Internal Revenue Service (“IRS”) for the consolidated U.S. federal income taxes of the Blackstone consolidated group relating to the taxable periods in which the Company was part of that group. However, the Tax Matters Agreement specifies the portion, if any, of this tax liability for which the Company bears responsibility, and Blackstone agrees to indemnify the Company against any amounts for which the Company is not responsible. The Tax Matters Agreement also provides special rules for allocating tax liabilities in the event that the spin-off is determined not to be tax-free. Though valid as between the parties, the Tax Matters Agreement is not binding on the IRS.

13. EMPLOYEE BENEFIT PLANS

The Company contributes to employer sponsored defined contribution plans for certain employees, subject to eligibility and statutory requirements. The Company incurred expenses with respect to these defined contribution plans in the amounts of $0.3 million and $0.9 million for the three and nine months ended September 30, 2018, respectively, and $0.2 million and $0.6 million for the three and nine months ended September 30, 2017, respectively, which are included in Compensation and Benefits in the Condensed Consolidated Statements of Operations.

14. REGULATED ENTITIES

Certain subsidiaries of the Company are subject to various regulatory requirements in the United States, United Kingdom and Hong Kong, which specify, among other requirements, minimum net capital requirements for registered broker-dealers.

PJT Partners LP is a registered broker-dealer through which strategic advisory and restructuring and special situations services are conducted in the United States and is subject to the net capital requirements of Rule 15c3-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). PJT Partners LP computes net capital based upon the aggregate indebtedness standard, which requires the maintenance of minimum net capital, as defined, which shall be the greater of $100 thousand or 6 2/3% of aggregate indebtedness, as defined, and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1. PJT Partners LP had net capital of $42.6 million and $96.6 million as of September 30, 2018 and December 31, 2017, respectively, which exceeded the minimum net capital requirement by $41.1 million and $96.4 million, respectively.

Park Hill Group LLC is a registered broker-dealer through which private fund advisory and placement services are conducted in the United States and is subject to the net capital requirements of Rule 15c3-1 under the Exchange Act. Park Hill Group LLC elected to adopt the alternative standard, which defines minimum net capital as the greater of $250 thousand or 2% of aggregate debit items computed in accordance with the reserve requirement. Park Hill Group LLC had net capital of $33.1 million and $15.9 million as of September 30, 2018 and December 31, 2017, respectively, which exceeded the minimum net capital requirement by $32.8 million and $15.7 million, respectively.

PJT Partners LP and Park Hill Group LLC do not carry customer accounts and do not otherwise hold funds or securities for, or owe money or securities to, customers and, accordingly, are both exempt from the SEC Customer Protection Rule (Rule 15c3-3).

PJT Partners (UK) Limited is licensed with the United Kingdom's Financial Conduct Authority and is required to maintain regulatory net capital of €50 thousand. PJT Partners (HK) Limited is licensed with the Hong Kong Securities and Futures Commission and is subject to a minimum liquid capital requirement of HK$3 million. As of September 30, 2018 and December 31, 2017, both of these entities were in compliance with local capital adequacy requirements.

15. BUSINESS INFORMATION

The Company's activities providing strategic advisory, restructuring and special situations and private fund advisory and placement services constitute a single reportable segment. An operating segment is a component of an entity which conducts business, incurs revenues and expenses for which discrete financial information is available that is reviewed by the chief operating decision maker in assessing performance and making resource allocation decisions. The Company has a single operating segment and therefore a single reportable segment.

The Company is organized as one operating segment in order to maximize the value of advice to clients by drawing upon the diversified expertise and broad relationships of senior professionals across the Company. The chief operating decision maker assesses performance and allocates resources based on broad considerations, including the market opportunity, available expertise across the Company and the strength and efficacy of professionals' collaboration, and not based upon profit or loss measures for the Company's separate product lines.

(All Dollars Are in Thousands, Except Share and Per Share Data, Except Where Noted)

Since the financial markets are global in nature, the Company generally manages its business based on the operating results of the Company taken as a whole, not by geographic region. The following tables set forth the geographical distribution of revenues and assets based on the location of the office that generates the revenues or holds the assets and therefore may not be reflective of the geography in which the Company's clients are located.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Revenues				
Domestic	$ 119,224	$ 62,399	$ 351,822	$ 269,267
International	20,919	16,051	53,033	39,462
Total	$ 140,143	$ 78,450	$ 404,855	$ 308,729

	September 30, 2018	December 31, 2017
Assets		
Domestic	$ 532,452	$ 494,718
International	49,230	64,247
Total	$ 581,682	$ 558,965

The Company had one client that represented 12.3% of total revenues for the three months ended September 30, 2018. The Company was not subject to any material concentrations with respect to its revenues for the nine months ended September 30, 2018 and three and nine months ended September 30, 2017. Additionally, the Company was not subject to any material concentrations of credit risk with respect to its accounts receivable as of September 30, 2018 and December 31, 2017.

16. SUBSEQUENT EVENTS

The Board of Directors of PJT Partners Inc. has declared a quarterly dividend of $0.05 per share of Class A common stock, which will be paid on December 19, 2018 to Class A common stockholders of record on December 5, 2018.

On October 1, 2018, the Company completed its previously-announced acquisition of CamberView Partners Holdings, LLC ("CamberView").

Pursuant to the Agreement and Plan of Merger, by and among the Company, PJT Partners Holdings LP ("Purchaser"), Blue Merger Sub LLC, a wholly owned subsidiary of Purchaser, CamberView and CC CVP Partners Holdings, L.L.C., solely in its capacity as securityholder representative, dated as of August 27, 2018, the Company acquired 100% ownership of CamberView. This transaction will be accounted for as a business combination and CamberView's operating results will be included in the Company's financial statements from the date of acquisition. The Company has not yet completed the related purchase price allocation. Upon completion of the valuation analysis, the Company expects to provide the amounts recognized as of the acquisition date for the major classes of assets acquired and liabilities assumed. The Company expects to record certain identifiable intangible assets as part of the acquisition. Additionally, on October 1, 2018, the Company assumed leases for CamberView office space, which expire in 2020.

In connection with the acquisition, the Company issued approximately 1.73 million shares of its Class A common stock and Partnership Units. Additionally, the Company financed $65 million of cash consideration with $35 million of cash on hand and $30 million pursuant to the term loan described below. A portion of the cash and stock issued by the Company at closing was placed into escrow to cover potential post-closing obligations. The cash and equity amounts assume that escrow amounts are settled as expected. The Company has also granted restricted stock and/or units and other deferred compensation, subject to service or service and market conditions, to a broad-based group of CamberView employees.

On October 1, 2018, PJT Partners Holdings LP, as borrower (the "Borrower"), entered into an Amended and Restated Loan Agreement (the "Loan Agreement") and related documents with First Republic Bank, as lender (the "Lender"). The Loan Agreement provides for a revolving credit facility with aggregate commitments in an amount equal to $40 million, which aggregate commitments may be increased, on the terms and subject to the conditions set forth in the Loan Agreement, to up to $60 million during the period beginning December 1 each year through March 1 of the following year. The revolving credit facility will mature and the commitments thereunder will terminate on October 1, 2020, subject to extension by agreement of the Borrower and Lender.

The Loan Agreement also provides for a term loan with an aggregate commitment of $30 million (the "Term Loan"). The Term Loan matures on January 2, 2021. In addition to the payment of interest described below, Borrower shall pay to the Lender installment payments of principal in the amount of (a) $4.25 million on July 1, 2019 and quarterly thereafter to January 2, 2021, and (b) $4.5 million on January 2, 2021. The Loan Agreement requires the Borrower to maintain certain minimum financial covenants and limits or restricts the ability of the Borrower (subject to certain qualifications and exceptions) to incur additional indebtedness in excess of $20 million.

Outstanding borrowings under the revolving credit facility will bear interest equal to the greater of a per annum rate of (a) 3%, or (b) the prime rate minus 1.0%. Outstanding borrowings under the Term Loan bear interest equal to the greater of a per annum rate of (a) 3.25%, or (b) the prime rate minus 0.75%. During an event of default, overdue principal under both the revolving credit facility and Term Loan facility will bear interest at a rate 2.0% in excess of the otherwise applicable rate of interest. In connection with the closing of the Loan Agreement, the Borrower paid the Lender certain closing costs and fees. In addition, on and after the closing date, the Borrower will also pay a commitment fee on the undrawn portion of the revolving credit facility of 0.125% per annum, payable quarterly in arrears.

The Company did not identify any other subsequent events besides the exchange of Partnership Units described in Note 11. "Transactions with Related Parties—Exchange Agreement."

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with PJT Partners' Condensed Consolidated Financial Statements and the related notes included in this Quarterly Report on Form 10-Q.

Our Business

PJT Partners is a global advisory-focused investment bank. Our team of senior professionals delivers a wide array of strategic advisory, shareholder engagement, restructuring and special situations and private fund advisory and placement services to corporations, financial sponsors, institutional investors and governments around the world. We offer a unique portfolio of advisory services designed to help our clients achieve their strategic objectives. We also provide, through Park Hill, private fund advisory and placement services for alternative investment managers, including private equity funds, real estate funds and hedge funds.

We have world-class franchises in each of the areas in which we compete.

- Our strategic advisory business offers a broad range of financial advisory and transaction execution capability, including mergers and acquisitions ("M&A"), joint ventures, minority investments, asset swaps, divestitures, takeover defenses, corporate finance advisory, private placements and distressed sales. PJT Camberview, which we acquired in October 2018, brings together the world's leading experts from the investor community to help public companies understand, engage and succeed with their investors in complex and contested shareholder matters by developing insightful strategies, effective tactics and high impact messaging.
- Our restructuring and special situations business is one of the world's leading advisors in restructurings and recapitalizations, both in and out of court, around the globe. With vast expertise in highly complex capital structure challenges, our Restructuring and Special Situations Group's services include advising companies, creditors and financial sponsors on recapitalizations, reorganizations, exchange offers, debt repurchases, capital raises and distressed mergers and acquisitions.
- Park Hill, our private fund advisory and placement business, is a world-leading fund placement agent and provides private fund advisory and placement services for a diverse range of investment strategies. Moreover, Park Hill is the only group among its peers with top-tier dedicated private equity, hedge fund, real estate and secondary advisory groups.

Business Environment

Economic and global financial conditions can materially affect our operational and financial performance. See "Part I. Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2017 for a discussion of some of the factors that can affect our performance.

M&A is a cyclical business that is impacted by macroeconomic conditions. According to Thomson Reuters, worldwide M&A announced volumes during the first nine months of 2018 were up 37% versus the comparable prior period in 2017, the strongest first nine months since records began in 1980.[1] We remain in a very constructive environment for M&A by historical standards. We expect corporate boards and management teams to continue to use M&A as a tool for growth.

Global restructuring activity for the first nine months of 2018 remained consistent with 2017 despite continued low default rates. However, a balanced business mix of in-court and out-of-court transactions for companies, creditors and financial sponsors has driven continued demand for restructuring and liability management

[1] Source: Thomson Reuters. Aggregate mergers and acquisitions values extracted from the official Thomson Reuters Mergers & Acquisitions Review for First Nine Months 2018, based on figures extracted from Thomson Reuters databases as of September 28, 2018.

services across a broad spectrum of industries including retail; healthcare; pharmaceuticals; shipping; and technology, media and telecommunications.

As investors seek to enhance returns, diversification and portfolio yield, alternative assets continue to be in demand by institutional investors on a global basis. Within certain asset classes, we are seeing increased interest in narrow and niche strategies as well as customized solutions such as joint ventures, separate accounts and direct investment opportunities.

On June 23, 2016, the United Kingdom ("U.K.") voted to leave the European Union ("E.U."), commonly referred to as "Brexit," and on March 29, 2017, the U.K. began the process to withdraw from the E.U. The full impact of Brexit remains uncertain and the political climate in Europe continues to take shape. The future terms of the U.K.'s relationship with the E.U. are still being determined. We expect that circumstances relating to Brexit will impact the Company's organization and/or operations and are taking preparatory steps accordingly.

Key Financial Measures

Revenues

Substantially all of our revenues are derived from Advisory Fees and Placement Fees. This revenue is primarily a function of the number of active engagements we have, the size of each of those engagements and the fees we charge for our services.

Advisory Fees – Our strategic advisory services include a broad range of financial advisory and transaction execution services relating to acquisitions, mergers, joint ventures, minority investments, asset swaps, divestitures, takeover defenses, corporate finance advisory and distressed sales. Our restructuring and special situations services include providing advice to corporations and creditors in recapitalizations and restructurings around the world, with particular expertise in large, complex and high-profile deals. In conjunction with providing such restructuring advice, we may also assist with raising various forms of financing, including debt and equity. Our secondary advisory services provided by Park Hill include providing solutions to investing clients seeking portfolio liquidity, unfunded commitment relief and investments in secondary markets. Advisory Fees typically consist of retainer and transaction-based fee arrangements. The amount and timing of the fees paid vary by the type of engagement. The majority of our Advisory Fees recognized are dependent on the successful completion of a transaction.

A transaction can fail to be completed for many reasons, including failure of parties to agree upon final terms with the counterparty, to secure necessary board or shareholder approvals, to secure necessary financing or to achieve necessary regulatory approvals. In the case of bankruptcy engagements, fees are subject to approval of the court.

Placement Fees – Our fund placement services are provided within Park Hill and primarily serve private equity, real estate and hedge funds. Our team advises on all aspects of the fundraising process including competitive positioning and market assessment, marketing materials and related documentation and partnership terms and conditions most prevalent in the current environment. We also provide private placement fundraising services to our corporate clients and earn placement fees based on successful completion of the transaction.

Fund placement fees earned for services provided to alternative asset managers are typically recognized upon acceptance by a fund of capital or capital commitments (referred to as a "closing"), in accordance with terms set forth in individual agreements. For commitment based fees, revenue is recognized over time as commitments are accepted. Fees for such closed-end fund arrangements are generally paid in installments over three or four years and interest is charged to the outstanding balance at an agreed upon rate (typically the London Interbank Offered Rate ("LIBOR") plus a market-based margin). For funds with multiple closings, the constraint on variable consideration is lifted upon each closing. For open-end fund structures, placement fees are typically calculated as a percentage of a placed investor's month-end net asset value. Typically, we earn fees for such open-end fund structures over a 48 month period. For these arrangements, revenue is recognized monthly as the constraint over variable consideration is lifted.

We may receive non-refundable up-front fees in our contracts with customers, which are recorded as revenues in the period over which services are estimated to be provided.

Interest Income and Other – Interest Income and Other represents interest typically earned on Cash and Cash Equivalents, U.S. Treasury securities and outstanding placement fees receivable; miscellaneous income; foreign exchange gains and losses arising on transactions denominated in currencies other than U.S. dollars; sublease income; and the amount of expense reimbursement invoiced to clients related to out-of-pocket expenses. Interest on placement fees receivable is earned from the time revenue is recognized and is calculated based upon LIBOR plus an additional percentage as mutually agreed upon with the receivable counterparty. Interest receivable is included in Accounts Receivable in the Condensed Consolidated Statements of Financial Condition.

Expenses

Compensation and Benefits – Compensation and Benefits expense includes salaries, bonuses, benefits, employer taxes and equity-based compensation associated with the grants of equity-based awards to employees and partners. Changes in this expense are driven by fluctuations in the number of employees, business performance, compensation adjustments in relation to market movements, changes in rates for employer taxes and other cost increases affecting benefit plans. In addition, this expense is affected by the composition of our work force. The expense associated with our bonus and equity plans can also have a significant impact on this expense category and may vary from year to year.

We maintain compensation programs, including salaries, annual incentive compensation (that may include components of cash, restricted cash and/or equity-based awards) and benefits programs. We manage compensation to estimates of competitive levels based on market conditions and performance. Our level of compensation reflects our plan to maintain competitive compensation levels to retain key personnel and it reflects the impact of newly-hired senior professionals, including related grants of equity awards that are generally valued at their grant date fair value.

Increasing the number of high-caliber, experienced senior level employees is critical to our growth efforts. In our advisory businesses, these hires generally do not begin to generate significant revenue in the year they are hired.

Our remaining expenses are the other costs typical to operating our business, which generally consist of:

- *Occupancy and Related* – consisting primarily of costs related to leased property, including rent, maintenance, real estate taxes, utilities and other related costs. Our company headquarters are located in New York, New York, and we maintain additional offices in the U.S. and throughout the world;
- *Travel and Related* – consisting of costs for our partners and employees to render services where our clients are located;
- *Professional Fees* – consisting primarily of consulting, audit and tax, recruiting and legal and other professional services;
- *Communications and Information Services* – consisting primarily of costs for our technology infrastructure and telecommunications costs;
- *Depreciation and Amortization* – consisting of depreciation and amortization on our furniture, equipment, leasehold improvements and intangible assets; and
- *Other Expenses* – consisting primarily of bad debt, regulatory fees, insurance, fees paid for access to external market data, advertising, other general operating expenses and transaction-related payable to The Blackstone Group L.P. (“Blackstone”).

Income Taxes – PJT Partners Inc. is a corporation subject to U.S. federal, state and local income taxes in jurisdictions where it does business. The Company’s businesses generally operate as partnerships for U.S. federal and state purposes and as corporate entities in non-U.S. jurisdictions. In the U.S. federal and state jurisdictions, taxes related to income earned by these entities generally represent obligations of the individual members and partners.

The operating entities have generally been subject to New York City Unincorporated Business Tax ("UBT") and to entity-level income taxes imposed by non-U.S. jurisdictions, as applicable. These taxes have been reflected in the Company's condensed consolidated financial statements.

PJT Partners Inc. is subject to U.S. corporate federal, state and local income tax on its allocable share of results of operations from the operating partnership (PJT Partners Holdings LP).

The Tax Cuts and Jobs Act (the "Tax Legislation") was signed into law on December 22, 2017, which lowered the U.S. corporate income tax rate to 21% as of January 1, 2018. The impact of the Tax Legislation may differ from the estimated amounts recorded, possibly materially, due to, among other things, further refinement of the Company's calculations, changes in interpretations and assumptions the Company has made, guidance that may be issued and actions the Company may take as a result of the Tax Legislation.

Non-Controlling Interests

PJT Partners Inc. is a holding company and its only material asset is its controlling equity interest in PJT Partners Holdings LP, and certain cash and cash equivalents it may hold from time to time. As the sole general partner of PJT Partners Holdings LP, PJT Partners Inc. operates and controls all of the business and affairs and consolidates the financial results of PJT Partners Holdings LP and its operating subsidiaries.

Prior to October 1, 2017, the ownership interests of holders of common units of partnership interest in PJT Partners Holdings LP ("Partnership Units") (other than PJT Partners Inc.) were considered redeemable non-controlling interests. On October 1, 2017, certain of the restrictive covenants entered into in connection with the spin-off expired. Previously, the ability to settle exchanges of Partnership Units in shares of the Company's Class A common stock was not entirely within the Company's control. Consequently, the value of these interests was reclassified from Redeemable Non-Controlling Interests to Non-Controlling Interests at their redemption value as of October 1, 2017. The portion of net income (loss) attributable to the non-controlling interests is presented separately in the Condensed Consolidated Statements of Operations.

Condensed Consolidated Results of Operations

The following table sets forth our condensed consolidated results of operations for the three and nine months ended September 30, 2018 and 2017:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2018	2017	Change	2018	2017	Change
	(Dollars in Thousands)					
Revenues						
Advisory Fees	$ 117,161	$ 60,457	94 %	$ 318,918	$ 233,145	37 %
Placement Fees	18,229	15,907	15 %	72,481	68,912	5 %
Interest Income and Other	4,753	2,086	128 %	13,456	6,672	102 %
Total Revenues	140,143	78,450	79 %	404,855	308,729	31 %
Expenses						
Compensation and Benefits	99,875	68,018	47 %	297,780	251,258	19 %
Occupancy and Related	6,641	6,746	(2)%	20,017	19,611	2 %
Travel and Related	5,449	3,369	62 %	16,906	9,325	81 %
Professional Fees	6,072	6,374	(5)%	15,290	15,366	(0)%
Communications and Information Services	2,781	2,556	9 %	9,521	7,823	22 %
Depreciation and Amortization	2,263	2,038	11 %	6,362	6,152	3 %
Other Expenses	4,980	4,963	0 %	14,140	14,803	(4)%
Total Expenses	128,061	94,064	36 %	380,016	324,338	17 %
Income (Loss) Before Benefit for Taxes	12,082	(15,614)	N/M	24,839	(15,609)	N/M
Benefit for Taxes	(197)	(13,258)	(99)%	(5,189)	(15,647)	(67)%
Net Income (Loss)	12,279	(2,356)	N/M	30,028	38	N/M
Net Income (Loss) Attributable to Non-Controlling Interests	4,729	(5,699)	N/M	10,297	(4,853)	N/M
Net Income Attributable to PJT Partners Inc.	$ 7,550	$ 3,343	126 %	$ 19,731	$ 4,891	303 %

N/M Not meaningful.

Revenues

The following table provides revenue statistics for the three and nine months ended September 30, 2018 and 2017:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2018	2017	2018	2017
Advisory Fees				
Number of Clients	78	61	142	116
Number of Fee-Paying Clients with $1 Million or More	29	18	84	62
Number of Fee-Paying Clients Representing Greater than 10% of Advisory Fees	2	—	—	—
Percentage of Such Clients' Fees of Total Advisory Fees	26.4 %	N/A	N/A	N/A
Placement Fees				
Number of Clients	34	49	63	67
Number of Fee-Paying Clients with $1 Million or More	7	4	21	23
Number of Fee-Paying Clients Representing Greater than 10% of Placement Fees	1	—	—	—
Percentage of Such Clients' Fees of Total Placement Fees	17.1 %	N/A	N/A	N/A

Total Revenues were $140.1 million for the three months ended September 30, 2018, an increase of $61.7 million compared with $78.5 million for the three months ended September 30, 2017. Advisory Fees were $117.2 million for the three months ended September 30, 2018, an increase of $56.7 million compared with $60.5 million for the three months ended September, 2017. The increase in Advisory Fees resulted from growth in our strategic advisory, restructuring and special situations and secondary advisory businesses. Placement Fees were $18.2 million for the three months ended September 30, 2018, an increase of $2.3 million compared with $15.9 million for the three months ended September 30, 2017. The increase was primarily driven by increases in capital raising activity and in our real estate vertical during the quarter. Interest Income and Other was $4.8 million for the three months ended September 30, 2018, an increase of $2.7 million compared with $2.1 million for the three months ended September 30, 2017. The increase in Interest Income and Other was primarily driven by $2.3 million of reimbursable expenses that are now presented on a gross basis due to adoption of ASU 2014-09 (the "new revenue guidance").

Total Revenues were $404.9 million for the nine months ended September 30, 2018, an increase of $96.1 million compared with $308.7 million for the nine months ended September 30, 2017. Advisory Fees were $318.9 million for the nine months ended September 30, 2018, an increase of $85.8 million compared with $233.1 million for the nine months ended September 30, 2017. The increase in Advisory Fees primarily resulted from growth in our strategic advisory and secondary advisory businesses. Placement Fees were $72.5 million for the nine months ended September, 2018, an increase of $3.6 million compared with $68.9 million for the nine months ended September 30, 2017. The increase was primarily driven by increased revenues from our real estate vertical, which more than offset declines in private equity and hedge fund activity. Interest Income and Other was $13.5 million for the nine months ended September 30, 2018, an increase of $6.8 million compared with $6.7 million for the nine months ended September 30, 2017. The increase in Interest Income and Other was primarily driven by $6.7 million of reimbursable expenses that are now presented on a gross basis due to adoption of the new revenue guidance.

Expenses

Expenses were $128.1 million for the three months ended September 30, 2018, an increase of $34.0 million compared with $94.1 million for the three months ended September 30, 2017. The increase in expenses was primarily attributable to increases in Compensation and Benefits and Travel and Related of $31.9 million and $2.1 million, respectively. The increase in Compensation and Benefits was primarily due to higher revenues and increased headcount. The increase in Travel and Related was primarily related to reimbursable expenses being presented on a gross basis during the current quarter due to adoption of the new revenue guidance.

Expenses were $380.0 million for the nine months ended September 30, 2018, an increase of $55.7 million compared with $324.3 million for the nine months ended September 30, 2017. The increase in expenses was primarily attributable to increases in Compensation and Benefits, Travel and Related and Communications and Information Services of $46.5 million, $7.6 million and $1.7 million, respectively. The increase in Compensation and Benefits was primarily due to higher revenues and increased headcount. The increase in Travel and Related was primarily related to adoption of the new revenue guidance. Travel and Related also increased due to increased business activity. The increase in Communications and Information Services was primarily driven by investments in our technology and data management infrastructure during the first half of the year.

Benefit for Taxes

The Company's Benefit for Taxes for the three months ended September 30, 2018 was $0.2 million, which represented an effective tax rate of -1.6% on pretax income of $12.1 million. The Company's Benefit for Taxes for the three months ended September 30, 2017 was $13.3 million, which represented an effective tax rate of 84.9% on pretax loss of $15.6 million.

The Company's Benefit for Taxes for the nine months ended September 30, 2018 was $5.2 million, which represented an effective tax rate of -20.9% on pretax income of $24.8 million. The Company's Benefit for Taxes for the nine months ended September 30, 2017 was $15.6 million, which represented an effective tax rate of 100.2% on pretax loss of $15.6 million.

The Company's effective tax rate differed from the U.S. federal statutory tax rate for the three and nine months ended September 30, 2018 due to corporate entities subject to U.S. federal, state, local and foreign income taxes, to non-corporate entities that are subject to New York City UBT and to certain compensation charges that are not deductible for income tax purposes.

The change in tax rate between the nine months ended September 30, 2018 and 2017 was primarily due to the decrease in U.S. corporate income tax rate related to the passage of the Tax Legislation in December 2017 as well as an increased tax benefit related to the deliveries of vested shares during the nine months ended September 30, 2018 at values in excess of their amortized cost.

Non-Controlling Interests

Net Income (Loss) Attributable to Non-Controlling Interests is derived from the Income (Loss) Before Benefit for Taxes and the percentage allocation of the net income (loss) between the holders of Partnership Units and holders of Class A common stock of PJT Partners Inc. after considering any contractual arrangements that govern the allocation of income (loss). As of October 1, 2017, the Redeemable Non-Controlling Interests were reclassified to Non-Controlling Interests.

Liquidity and Capital Resources

General

We regularly monitor our liquidity position, including cash and cash equivalents, investments, working capital assets and liabilities, any commitments and other liquidity requirements.

Our assets have historically been comprised of cash and cash equivalents, investments and receivables arising from strategic advisory and placement engagements. Our liabilities primarily include accrued compensation and benefits, accounts payable and accrued expenses and taxes payable. We expect to pay a significant amount of incentive compensation late each year or during the beginning of the next calendar year with respect to the prior year's results. A portion of annual compensation may be awarded with equity-based compensation and thus requires less cash. We expect levels of cash to decline at year-end or during the first quarter of each year after incentive compensation is paid to our employees. We then expect cash to gradually increase over the remainder of the year.

Previously, we had entered into a credit facility with First Republic Bank to provide a $60.0 million revolving credit facility, with the ability to increase the credit facility up to $80.0 million during the period beginning December 1 each year through March 1 the following year, so long as no event of default has occurred and is continuing or would be caused by exercising such option. The revolving credit facility is further described in Note 12. "Commitments and Contingencies—Commitments, Line of Credit" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing and an amendment to the revolving credit facility is further described below.

As of September 30, 2018 and December 31, 2017, there were no borrowings under the revolving credit facility and we were in compliance with the debt covenants.

On October 1, 2018, PJT Partners Holdings LP, as borrower (the "Borrower"), entered into an Amended and Restated Loan Agreement (the "Loan Agreement") and related documents with First Republic Bank, as lender (the "Lender"). The Loan Agreement provides for a revolving credit facility with aggregate commitments in an amount equal to $40 million, which aggregate commitments may be increased, on the terms and subject to the conditions set forth in the Loan Agreement, to up to $60 million during the period beginning December 1 each year through March 1 of the following year. The revolving credit facility will mature and the commitments thereunder will terminate on October 1, 2020, subject to extension by agreement of the Borrower and Lender.

The Loan Agreement also provides for a term loan with an aggregate commitment of $30 million (the "Term Loan"). The Term Loan matures on January 2, 2021. In addition to the payment of interest described below, Borrower shall pay to the Lender installment payments of principal in the amount of (a) $4.25 million on July 1, 2019 and quarterly thereafter to January 2, 2021, and (b) $4.5 million on January 2, 2021. The Loan Agreement requires the Borrower to maintain certain minimum financial covenants and limits or restricts the ability of the Borrower (subject to certain qualifications and exceptions) to incur additional indebtedness in excess of $20 million.

Outstanding borrowings under the revolving credit facility will bear interest equal to the greater of a per annum rate of (a) 3%, or (b) the prime rate minus 1.0%. Outstanding borrowings under the Term Loan bear interest equal to the greater of a per annum rate of (a) 3.25%, or (b) the prime rate minus 0.75%. During an event of default, overdue principal under both the revolving credit facility and Term Loan facility will bear interest at a rate 2.0% in excess of the otherwise applicable rate of interest. In connection with the closing of the Loan Agreement, the Borrower paid the Lender certain closing costs and fees. In addition, on and after the closing date, the Borrower will also pay a commitment fee on the undrawn portion of the revolving credit facility of 0.125% per annum, payable quarterly in arrears.

We evaluate our cash needs on a regular basis in light of current market conditions. As of September 30, 2018 and December 31, 2017, we had cash, cash equivalents and investments of $192.2 million and $182.7 million, respectively.

Our liquidity is highly dependent upon cash receipts from clients, which are generally dependent upon the successful completion of transactions as well as the timing of receivable collections. As of September 30, 2018 and December 31, 2017, total accounts receivable were $191.8 million and $190.4 million, respectively, net of allowance for doubtful accounts of $2.3 million and $1.9 million, respectively. Included in Accounts Receivable are long-term receivables of $68.5 million and $77.7 million as of September 30, 2018 and December 31, 2017, respectively, related to placement fees that are generally paid in installments over a period of three to four years.

On October 1, 2018, the Company completed its previously-announced acquisition of CamberView Partners Holdings, LLC ("CamberView").

Pursuant to the Agreement and Plan of Merger, by and among the Company, PJT Partners Holdings LP ("Purchaser"), Blue Merger Sub LLC, a wholly owned subsidiary of Purchaser, CamberView and CC CVP Partners Holdings, L.L.C., solely in its capacity as securityholder representative, dated as of August 27, 2018, the Company acquired 100% ownership of CamberView.

Sources and Uses of Liquidity

Our primary cash needs are for working capital, paying operating expenses, including cash compensation to our employees, funding the cash redemption of Partnership Units, paying income taxes, making distributions to our shareholders in accordance with our dividend policy, capital expenditures, commitments and strategic investments. We expect to fund these liquidity requirements through cash flows from operations and borrowings under our revolving credit facility. Our ability to fund these needs through cash flows from operations will depend, in part, on our ability to generate or raise cash in the future. This depends on our future financial results, which are subject to general economic, financial, competitive, legislative and regulatory factors. Furthermore, our ability to forecast future cash flows is more limited because we do not have a long-established operating history as a stand-alone company. If our cash flows from operations are less than we expect, we may need to incur debt, issue additional equity or borrow from our revolving credit facility. Although we believe that the arrangements we have in place will permit us to finance our operations on acceptable terms and conditions, our access to, and the availability of, financing on acceptable terms and conditions in the future will be impacted by many factors, including: (a) our credit ratings or absence of a credit rating, (b) the liquidity of the overall capital markets, and (c) the current state of the economy. We cannot provide any assurance that such financing will be available to us on acceptable terms or that such financing will be available at all. We believe that our future cash from operations and availability under our revolving credit facility, together with our access to funds on hand, will provide adequate resources to fund our short-term and long-term liquidity and capital needs.

Subject to the terms and conditions of the exchange agreement between us and certain of the holders of Partnership Units (other than PJT Partners Inc.), Partnership Units are exchangeable at the option of the holder for cash or, at our election, for shares of our Class A common stock on a one-for-one basis. Depending on our liquidity and capital resources, market conditions, the timing and concentration of exchange requests and other considerations, we may choose to fund cash-settled exchanges of Partnership Units with available cash, borrowings or new issuances of Class A common stock or to settle exchanges by issuing Class A common stock to the exchanging Partnership Unitholder. Issuing significant numbers of shares of our Class A common stock upon exchange of Partnership Units could adversely affect the tax consequences to Blackstone of the distribution. Accordingly, while we will retain the right under the Exchange Agreement to elect to settle exchanges in cash or Class A common stock in our sole discretion, we intend to limit such issuances of Class A common stock in settlement of exchanges of Partnership Units to the extent necessary to preserve the intended tax-free nature of the spin-off and to comply with our obligations under the Tax Matters Agreement.

Regulatory Capital

We actively monitor our regulatory capital base. We are subject to regulatory requirements in the U.S. and certain international jurisdictions to ensure general financial soundness and liquidity. This requires, among other things, that we comply with certain minimum capital requirements, recordkeeping, reporting procedures, experience and training requirements for employees and certain other requirements and procedures. These regulatory requirements may restrict the flow of funds to and from affiliates. See Note 14. "Regulated Entities" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing for further information. The licenses under which we operate are meant to be appropriate to conduct our strategic advisory, restructuring and special situations and private fund advisory and placement services businesses. We believe that we provide each of these entities with sufficient capital and liquidity, consistent with their business and regulatory requirements.

Our activities may also be subject to regulation, including regulatory capital requirements, by various other foreign jurisdictions and self-regulatory organizations.

We do not anticipate that compliance with any and all such requirements will materially adversely impactthe availability of funds for domestic and parent-level purposes.

Share Repurchase Program

On October 26, 2017, our board of directors authorized the repurchase of shares of the Company's Class A common stock in an amount up to $100 million. Under this repurchase program, shares of the Company's Class A common stock may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of shares repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

During the nine months ended September 30, 2018, we repurchased 665,301 shares of Class A common stock at an average price of $53.78, or $35.8 million in aggregate, pursuant to this share repurchase program. As of September 30, 2018, the available amount remaining for repurchases under this program was $61.9 million.

Contractual Obligations

For a discussion of our contractual obligations, refer to "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—Contractual Obligations" in our Annual Report on Form 10-K for the year ended December 31, 2017. There have not been any material changes to our contractual obligations since December 31, 2017.

Commitments and Contingencies

Litigation

As previously disclosed, with respect to actual and potential additional claims related to funds fraudulently obtained by Andrew Caspersen, we believe that the total potential amount of any such claims to be less than $30 million, any such claims are without merit and we will vigorously defend any such actions.

With respect to our other litigation matters, including the litigation discussed under the caption "Legal Proceedings" elsewhere in this report, we are not currently able to estimate the possible loss or range of loss until developments in such matters have provided sufficient information to support such an assessment, including quantification of a damage demand from plaintiffs, discovery from other parties and investigation of factual allegations, rulings by courts on motions or appeals, analysis by experts or the status of any settlement negotiations. However, the disposition of these contingencies could be material to our financial results in the period in which it occurs.

Guarantee

The Company provides a guarantee to a lending institution for certain loans held by employees for investment in funds of its former Parent, which are secured by the underlying investments in those funds. The amount guaranteed was $10.1 million and $9.7 million as of September 30, 2018 and December 31, 2017, respectively.

Indemnifications

We have entered and may continue to enter into contracts, including contracts with Blackstone relating to the spin-off, which contain a variety of indemnification obligations. Our maximum exposure under these arrangements is not known; however, we currently expect any associated risk of loss to be insignificant. In connection with these matters, we have incurred and may continue to incur legal expenses, which are expensed as incurred.

Tax Receivable Agreement

We have entered into a tax receivable agreement with the holders of Partnership Units (other than PJT Partners Inc.) that provides for the payment by PJT Partners Inc. to exchanging holders of Partnership Units of 85% of the benefits, if any, that PJT Partners Inc. is deemed to realize as a result of the increases in tax basis related to such exchanges of Partnership Units and of certain other tax benefits related to entering into the tax receivable agreement, including tax benefits attributable to payments under the tax receivable agreement. This payment obligation is an obligation of PJT Partners Inc. and not of PJT Partners Holdings LP. PJT Partners Inc. expects to benefit from the remaining 15% of cash tax savings, if any, in income tax it realizes. As of September 30, 2018 and December 31, 2017, the Company had amounts due of $6.1 million and $2.9 million, respectively, pursuant to the tax receivable agreement, which represent management's best estimate of the amounts currently expected to be owed in connection with the tax receivable agreement. Actual payments may differ significantly from estimated payments.

Further information regarding the tax receivable agreement can be found in "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2017.

Other

See Notes 8, 10, 12 and 13 in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing for further information in connection with income taxes, equity compensation plans, commitments and employee benefit plans, respectively.

Critical Accounting Policies

Our significant accounting policies are summarized in Note 2. "Summary of Significant Accounting Policies" in the "Notes to Consolidated and Combined Financial Statements" in "Part II. Item 8. Financial Statements and Supplementary Data" in our Annual Report on Form 10-K for the year ended December 31, 2017. A discussion of critical accounting policies is included in "Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2017. The Company has updated its significant accounting policies with respect to the adoption of new revenue guidance as of January 1, 2018 and included this information in Note 3. "Revenues from Contracts with Customers" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing. Additionally, the Company considers this to be a change in critical accounting policies with respect to the Company's revenue recognition policies.

Off-Balance Sheet Arrangements

The Company is not involved with any off-balance sheet arrangements that are not elsewhere reflected in our condensed consolidated financial statements.

Recent Accounting Developments

Information regarding recent accounting developments and their impact on our financial statements can be found in Note 2. "Summary of Significant Accounting Policies" in the "Notes to Condensed Consolidated Financial Statements" in "—Item 1. Financial Statements" of this filing.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk can be found in "Part II. Item 7A. Quantitative and Qualitative Disclosures About Market Risk" in our Annual Report on Form 10-K for the year ended December 31, 2017. Our exposures to market risk have not changed materially since December 31, 2017.

ITEM 4. CONTROLS AND PROCEDURES

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) as of the end of the period covered by this report. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective.

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) occurred during our most recent quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company and its affiliates may be subject to legal proceedings and claims in the ordinary course of businessIn addition, government agencies and self-regulatory organizations in countries in which we conduct business conduct periodic examinations and may initiate administrative proceedings regarding the Company's and its affiliates' business, including, among other matters, accounting and operational matters, that can result in censure, fine, the issuance of cease-and-desist orders or the suspension or expulsion of a broker-dealer, investment advisor, or its directors, officers or employees. It is our policy to cooperate fully with such governmental requests, examinations and administrative proceedings. In view of the inherent difficulty of determining whether any loss in connection with any such matters is probable and whether the amount of such loss can be reasonably estimated, particularly in cases where claimants seek substantial or indeterminate damages or where investigations and proceedings are in the early stages, we cannot estimate the amount of such loss or range of loss, if any, related to such matters, how or if such matters will be resolved, when they will ultimately be resolved, or what the eventual settlement, fine, penalty or other relief, if any, might be. Subject to the foregoing, we believe, based on current knowledge and after consultation with counsel, that we are not currently party to any material pending proceedings, individually or in the aggregate, the resolution of which would have a material effect on the Company.

Two separate actions were filed in New York state court, in June 2017 (the "Moore Complaint") and January 2018 (the "Weekapaug Complaint"), against defendants including PJT Partners Inc., Park Hill Group LLC and Andrew W.W. Caspersen, arising out of the fraudulent conduct of Caspersen. Generally, the complaints allege that inadequate supervision enabled Caspersen to commit multiple frauds while using Park Hill Group's name and business resources. The two actions assert claims against the entity defendants for fraud (under theories of apparent authority and respondeat superior) and negligent supervision premised on frauds perpetrated by Caspersen during the period of his employment at Park Hill Group both before and after the October 1, 2015 spin-off of PJT Partners from The Blackstone Group L.P. PJT Partners Inc. and Park Hill Group moved to dismiss the Moore Complaint on August 24, 2017. On August 13, 2018, the court issued a Decision and Order dismissing all of the claims asserted against PJT Partners Inc. and Park Hill Group in the Moore Complaint except for the fraud-based apparent authority claim, which will now proceed to the discovery phase of the action. Plaintiffs and PJT Partners Inc. and Park Hill Group have appealed the court's August 2018 decision. PJT Partners Inc. and Park Hill Group moved to dismiss the Weekapaug Complaint on October 29, 2018. We believe that both actions are without merit and will defend them vigorously.

ITEM 1A. RISK FACTORS

There were no material changes from the risk factors previously disclosed in our Annual Report on Form 10-K for the year ended December 31, 2017.

The risks described in our Annual Report on Form 10-K for the year ended December 31, 2017 and in our subsequently filed Quarterly Reports on Form 10-Q are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities in the Third Quarter of 2018

	Total Number of Shares Repurchased	Average Price Paid Per Share	Total Number of of Shares Purchased as Part of Publicly Announced Plans or Programs (a)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (a)
July 1 to July 31	186,458	$ 53.97	186,458	$ 61.9 million
August 1 to August 31	—	—	—	61.9 million
September 1 to September 30	49	53.98	49	61.9 million
Total	186,507	$ 53.97	186,507	$ 61.9 million

(a) On October 26, 2017, our board of directors authorized the repurchase of shares of the Company's Class A common stock in an amount up to $100 million. Under this repurchase program, shares of the Company's Class A common stock may be repurchased from time to time in open market transactions, in privately negotiated transactions or otherwise. The timing and the actual number of shares repurchased will depend on a variety of factors, including legal requirements, price and economic and market conditions. The repurchase program may be suspended or discontinued at any time and does not have a specified expiration date.

Unregistered Sales

In connection with the issuance during the third quarter of 2018 of LTIP Units in PJT Partners Holdings LP to two employees of the Company, PJT Partners Inc. issued two corresponding shares of its Class B common stock, par value $0.01 per share, to these employees. Shares of Class B common stock have no economic rights but entitle the holder, without regard to the number of shares of Class B common stock held, to a number of votes that is equal to the aggregate number of vested and unvested Partnership Units and LTIP Units in PJT Partners Holdings LP held by such holder on all matters presented to stockholders of PJT Partners Inc. other than director elections and removals. With respect to the election and removal of directors of PJT Partners Inc., shares of Class B common stock will initially entitle holders to only one vote per share. However, the voting power of Class B common stock with respect to the election and removal of directors of PJT Partners Inc. may be increased to up to the number of votes to which a holder is then entitled on all other matters presented to stockholders. The issuance of shares of Class B common stock was not registered under the Securities Act of 1933 because such shares were not issued in a transaction involving the offer or sale of securities.

Dividend Policy

The Company declared a dividend of $0.05 per share of Class A common stock in the third quarter of 2018 and plans to regularly pay quarterly dividends.

Refer to "Part II. Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities" in our Annual Report on Form 10-K for the year ended December 31, 2017 for further disclosure of the Company's dividend policy.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Not applicable.

ITEM 6. EXHIBITS

Exhibit Number	Exhibit Description
+2.1	Separation and Distribution Agreement by and among The Blackstone Group L.P., Blackstone Holdings I L.P., New Advisory GP L.L.C., PJT Partners Inc. and PJT Partners Holdings LP, dated as of October 1, 2015 (incorporated herein by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K (File No. 001-36869) filed with the Securities and Exchange Commission on October 5, 2015).
+2.2	Agreement and Plan of Merger by and among CamberView Partners Holdings, LLC, PJT Partners Inc. (except for purposes of Article II and Article III), PJT Partners Holdings LP, Blue Merger Sub LLC and CC CVP Partners Holdings, L.L.C., as the securityholder representative, dated as of August 27, 2018.
3.1	Amended and Restated Certificate of Incorporation of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-36869) filed with the Securities and Exchange Commission on October 5, 2015).
3.1.1	Certificate of Designation of Series A Junior Participating Preferred Stock of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.1.1 to the Registrant's Current Report on Form 8-K (File No. 001-36869) filed with the Securities and Exchange Commission on October 5, 2015).
3.2	Amended and Restated By-Laws of PJT Partners Inc. (incorporated herein by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 001-36869) filed with the Securities and Exchange Commission on October 5, 2015).
10.1	Amended and Restated Loan Agreement, by and between PJT Partners Holdings LP and First Republic Bank, dated as of October 1, 2018.
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a).
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

+ Certain schedules and exhibits to this agreement have been omitted in accordance with Item 601(b)(2) of Regulation S-K. The descriptions of the omitted schedules and exhibits are contained within the relevant agreement. A copy of any omitted schedule and/or exhibit will be furnished supplementally to the Securities and Exchange Commission upon request.

The agreements and other documents filed as exhibits to this report are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents

themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time

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.

Date: November 2, 2018

PJT Partners Inc.

By: /s/ Paul J. Taubman
Name: Paul J. Taubman
Title: Chief Executive Officer

By: /s/ Helen T. Meates
Name: Helen T. Meates
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 2.2

EXECUTION VERSION

AGREEMENT AND PLAN OF MERGER

by and among

CAMBERVIEW PARTNERS HOLDINGS, LLC,

PJT PARTNERS INC.

(EXCEPT FOR PURPOSES OF ARTICLE II AND ARTICLE III),

PJT PARTNERS HOLDINGS LP,

BLUE MERGER SUB LLC

and

CC CVP PARTNERS HOLDINGS, L.L.C.,

AS THE SECURITYHOLDER REPRESENTATIVE

Dated as of August 27, 2018

THIS DOCUMENT SHALL BE KEPT CONFIDENTIAL PURSUANT TO THE TERMS OF THE CONFIDENTIALITY AGREEMENT ENTERED INTO BETWEEN CAMBERVIEW PARTNERS HOLDINGS, LLC. AND THE RECIPIENT HEREOF AND, IF APPLICABLE, ITS AFFILIATES, WITH RESPECT TO THE SUBJECT MATTER HEREOF.

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AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER is made and entered into as of August 27, 2018 (this "**Agreement**"), by and among CamberView Partners Holdings, LLC, a Delaware limited liability company (the "**Company**"), except for purposes of Article II and Article III, PJT Partners Inc., a Delaware corporation ("**Parent**"), PJT Partners Holdings LP, a Delaware limited partnership ("**Purchaser**"), Blue Merger Sub LLC, a Delaware limited liability company ("**Merger Sub**") and solely in its capacity as the Securityholder Representative (as defined below), CC CVP Partners Holdings, L.L.C., a Delaware limited liability company ("**Securityholder Representative**").

RECITALS

WHEREAS, upon the terms and subject to the conditions hereof, at the Effective Time, Merger Sub will merge with and into the Company (the "**Merger**"), with the Company being the surviving entity, upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of managers of the Company has unanimously adopted this Agreement and approved the consummation of the Transactions (including the Merger) in accordance with the Delaware Limited Liability Company Act (the "**DLLCA**") and the LLC Agreement;

WHEREAS, the requisite members of the Company have adopted this Agreement and approved the consummation of the Transactions (including the Merger) in accordance with the DLLCA and the LLC Agreement;

WHEREAS, Parent (on behalf of itself and as the general partner of Purchaser), Purchaser (on behalf of itself and as the sole equityholder of Merger Sub) and Merger Sub have adopted this Agreement and approved the consummation of the Transactions (including the Merger) in accordance with the Delaware General Corporation Law, the DLLCA and the respective organizational documents for each entity;

WHEREAS, as a condition and inducement to the Company's willingness to enter into this Agreement, Parent is simultaneously entering into the Registration Rights Agreement (as defined below) with respect to Parent Class A Shares (as defined below) and certain Purchaser Units (as defined below) other than those held by Company Employees (as defined below); and

WHEREAS, as a condition and inducement to the Company's and Purchaser's willingness to enter into this Agreement, the Key Employees and Purchaser or an Affiliate of Purchaser are simultaneously entering into certain employment arrangements.

NOW, THEREFORE, in consideration of the foregoing, the representations, warranties, covenants and agreements set forth in this Agreement, and other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1 **Definitions**. Capitalized terms used in this Agreement shall have the meanings set forth in this Agreement. In addition, for purposes of this Agreement, the following terms, when used in this Agreement, shall have the meanings assigned to them in this Section 1.1.

"**Action**" means any action, claim, complaint, litigation, suit, arbitration or other proceeding, whether civil or criminal, at Law or in equity, by or before any Governmental Entity.

"**Adjustment Time**" means 12:01 a.m. Eastern Time on the Closing Date.

"**Affiliate**" means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, a specified Person. A Person shall be deemed to control another Person if such first Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise. For the avoidance of doubt, portfolio companies of Corsair and its Affiliates shall not be considered Affiliates of the Company or its Subsidiaries.

"**Benefit Arrangement**" means any compensation or benefit plan, policy or arrangement, whether written or unwritten, that is not a Benefit Plan and that provides benefits, compensation, including employment agreements or consulting agreements, severance pay, stay or retention bonuses or compensation, change in control payments or benefits, executive or incentive compensation, sick leave, vacation pay, disability pay, retirement, deferred compensation, bonus, equity based compensation, hospitalization, medical or disability insurance, life insurance, tuition reimbursement, material fringe benefit and any plans subject to Section 125 of the Code.

"**Benefit Plan**" has the meaning given in ERISA Section 3(3), together with plans or arrangements that would be so defined if they were not otherwise exempt from ERISA by that or another section.

"**Business Day**" means any day other than a Saturday, a Sunday or a day on which banks are required or authorized by Law to be closed in New York, New York.

"**Cause**" means, as to any employee, (A) a material breach of any restrictive covenants agreement between the employee and the Company; (B) a commission of a felony or crime of moral turpitude, or a determination by a court of competent jurisdiction, by a regulatory body or by a self-regulatory body having authority with respect to securities laws, rules or regulations, that the employee individually has violated any securities laws or any rules or regulations thereunder, or any rules of any such self-regulatory body; (C) a material breach of any material rules or regulations of the Company applicable to the employee that have been provided to the employee in writing; and (D) an act of fraud, misappropriation, embezzlement or similar conduct by the employee against the Company.

"**Chief Executive Officer**" means Abe M. Friedman.

"**Class A Units**" means limited liability company interests in the Company designated as "Class A Units" under the LLC Agreement and issued in accordance with Section 2.2(a) or Section 2.2(g) thereof.

"**Class B Units**" means limited liability company interests in the Company designated as "Class B Units" under the LLC Agreement and issued in accordance with Section 2.2(b) or Section 2.2(g) thereof.

"**Class C Units**" means limited liability company interests in the Company designated as "Class C Units" under the LLC Agreement and issued in accordance with Section 2.2(c) or Section 2.2(g) thereof.

"**Class D Units**" means limited liability company interests in the Company designated as "Class D Units" under the LLC Agreement and issued in accordance with Section 2.2(d) or Section 2.2(g) thereof.

"**Class E Units**" means limited liability company interests in the Company designated as "Class E Units" under the LLC Agreement and issued in accordance with Section 2.2(g) or Section 2.8 thereof.

"**Closing Cash**" means, as of the Adjustment Time, the aggregate amount of cash, cash equivalents and marketable securities of the Company and its Subsidiaries, including any restricted cash and any uncleared checks and drafts or wire transfers received or deposited or available for deposit for the account of the Company and its Subsidiaries that are not yet credited to the account of the Company and its Subsidiaries, in each case determined and calculated in a manner consistent with GAAP using the same accounting methodologies, principles and procedures used by the Company in preparing the Latest Balance Sheet; provided, however, that "Closing Cash" shall be reduced by the amount of any checks written (but not yet cashed), outstanding drafts, outstanding security deposits, escrowed cash and outstanding wire transfers made by the Company and its Subsidiaries as of the Adjustment Time.

"**Closing Indebtedness**" means, as of immediately prior to the Adjustment Time, with respect to the Company and its Subsidiaries all liabilities and obligations for: (i) any indebtedness for money borrowed or incurred in substitution or exchange for indebtedness for borrowed money, (ii) any indebtedness evidenced by a note, bond, debenture, mortgage or other similar instrument or debt security, (iii) all obligations payable under any derivative financial instruments, including any interest rate, currency or other hedging agreements, (iv) all obligations in respect of letters of credit, bankers' acceptances, performance bond and similar facilities, including for the avoidance of doubt, any synthetic facilities, issued for the account of the Company or any of its Subsidiaries (but solely to the extent drawn or called), (v) all capitalized lease obligations and leases required to be classified as capital leases under GAAP, (vi) (a) all accrued and/or unpaid bonuses or similar payments, in each case, payable to current or former employees, directors or consultants in respect of any period prior to the Adjustment Time, including any accrual of bonuses for the portion of the current year prior to the Adjustment Time, (b) accrued vacation and PTO obligations, (c) accrued severance, early termination, early

retirement, retiree medical and/or other retirement obligations for employees that were terminated or retire prior to Closing, and (d) in each case, the employer-paid portions of applicable federal, state, local or foreign payroll or employment taxes associated with items (a) through (c) of this subsection (vi), (vii) unclaimed property subject to escheat, (viii) the Tax Liability Amount, (ix) any guarantees by the Company or its Subsidiaries with respect to indebtedness of a Person of a type that is referred to in clauses (i) through (ix) above, and (x) for clauses (i) through (ix) above, all accrued but unpaid interest thereon and other payment obligations thereon (including any prepayment premiums, breakage costs and other related fees or liabilities payable as a result of the prepayment thereof upon the consummation of the Transactions). Notwithstanding the foregoing, Closing Indebtedness does not include Closing Indebtedness due from the Company or any wholly owned Subsidiary of the Company, on the one hand, to the Company or any other wholly owned Subsidiary of the Company, on the other hand, nor does it include any Transaction Expenses or the Employee Reallocation Amount.

"**COBRA**" means Part 6 of Title I of ERISA.

"**Code**" means the United States Internal Revenue Code of 1986, as amended.

"**Company Benefit Arrangement**" means any Benefit Arrangement sponsored, maintained or contributed to by the Company or any Subsidiary for the benefit of any present or former employees, consultants, members or service providers of the Company or any Subsidiary or with respect to which the Company or any Subsidiary has any current or future Liability (whether actual, contingent, with respect to any of its assets or otherwise).

"**Company Benefit Plan**" means any Benefit Plan for which the Company or any Subsidiary is or has been the "plan sponsor" (as defined in Section 3(16)(B) of ERISA) or any Benefit Plan that the Company or any Subsidiary maintains or to which it makes or is obligated to make payments for the benefit of any present or former employees, consultants, members or service providers of the Company or any Subsidiary or with respect to which the Company or any Subsidiary has any current or future Liability (whether actual, contingent, with respect to any of its assets or otherwise).

"**Company Disclosure Schedule**" means the disclosure schedule of the Company referred to in, and delivered pursuant to, this Agreement.

"**Company Employees**" means, collectively, those individuals employed by the Company or any of its Subsidiaries as of the Closing.

"**Company Material Adverse Effect**" means any change, fact, circumstance, state of facts, occurrence, development or event that has had or would reasonably be expected to have, individually or in the aggregate with other such changes or events, (a) a material adverse effect on the ability of the Company and its Subsidiaries to consummate the Transactions or to perform its obligations under this Agreement or (b) a material adverse effect on the results of operations or financial condition of the Company and its Subsidiaries, taken as a whole; provided, however, in no event shall any of the following, alone or in combination, be deemed to constitute a Company Material Adverse Effect, nor shall any change or event relating to any of the following be taken into account in determining whether a Company Material Adverse Effect has occurred or would result: (i) general economic, regulatory or financial market conditions in

any of the geographical areas in which any of the Company and its Subsidiaries operate or changes in the capital, financing, banking or currency markets; (ii) conditions generally affecting the industry in which the Company and its Subsidiaries operate or the capital or financial, banking or securities markets generally (including events affecting the United States or global economy); (iii) changes in Law or in GAAP; (iv) the commencement or material worsening of a war or armed hostilities or other national or international calamity involving the United States, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States; (v) any earthquake, hurricane, tsunami, tornado, flood, mudslide or other natural disaster, pandemic, weather condition, explosion or fire or other force majeure event or act of God; (vi) any actions taken, or failures to take action, or such other changes or events, in each case, which Purchaser has requested or to which it has consented in writing (including via email) or which actions, changes or events are expressly contemplated by this Agreement; (vii) any matter set forth in the Company Disclosure Schedule; (viii) the negotiation, execution, delivery, announcement, pendency or performance of this Agreement or the Transactions, or any public disclosure relating to any of the foregoing, or the impact of any of the foregoing on relationships, contractual or otherwise, with customers, lenders, employees or other Persons with business relationships with the Company or its Subsidiaries; (ix) any cyber-attacks, data breaches, ransomware attacks or similar events affecting the Company or its Subsidiaries, excluding any such breaches, attacks or events to the extent attributable to the negligence of the Company or its Subsidiaries; (x) the departure or termination of any Key Employee; and (xi) any failure, in and of itself, by the Company to meet projections, budgets, forecasts, revenue or earnings predictions or other similar forward looking statements for any period ending on or after the date of this Agreement (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taken into account in determining whether there has been or will be, a Company Material Adverse Effect, to the extent not otherwise excluded pursuant to clauses (i) through (x) above); except, in the case of the foregoing clauses (i), (ii), (iii), (iv) and (v), to the extent such change or event has a materially disproportionate impact on the Company and its Subsidiaries, taken as a whole, compared to other Persons similarly situated in the businesses or industries in which the Company and its Subsidiaries conduct their business in the geographies in which such business is conducted.

"**Company Party**" means each of the Company, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, Affiliates, members, managers or general or limited partners of the Company or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, Affiliate or agent of any of the foregoing.

"**Competition Laws**" means the HSR Act (and any similar Law enforced by any Governmental Antitrust Entity regarding preacquisition notifications for the purpose of competition reviews), the Sherman Act, as amended, the Clayton Act, as amended, the Federal Trade Commission Act, as amended, and all other federal, state, foreign, multinational or supranational antitrust, competition or trade regulation statutes, rules, regulations, orders, decrees, administrative and judicial doctrines and other Laws that are designed or intended to prohibit, restrict or regulate actions or transactions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition or effectuating foreign investments.

"**Contract**" means any written or oral contract, agreement, indenture, note, bond, instrument, lease, conditional sales contract, mortgage, license, binding commitment or other agreement.

"**Corsair**" means CC CVP Partners Holdings, L.L.C. and its successors and assigns.

"**Electronic Data Room**" means the Merrill Corporation electronic data room established by the Company in connection with the Transactions.

"**Employee Reallocation Amount**" has the meaning set forth on Schedule I.

"**Encumbrance**" means any lien, encumbrance, security interest, pledge, mortgage, hypothecation, charge, claims, encroachment, adverse claim, option, security interest, restriction on transfer of title or other similar encumbrance, right or claim, whether voluntarily incurred or imposed by or arising under contract or Law, except for any restrictions arising under any applicable securities Laws or in respect of any security restrictions arising under the organizational documents of the issuer.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

"**ERISA Affiliate**" means, with respect to any Person, any trade or business, whether or not incorporated, that together with such Person would be deemed a "single employer" within the meaning of Section 414 of the Code or to be a member of the same "controlled group" with such Person within the meaning of Section 4001(a)(14) of ERISA.

"**Escrow**" means the escrow established pursuant to the Escrow Agreement.

"**Escrow Agreement**" means the Escrow Agreement substantially in the form attached hereto as Exhibit A with such changes therein as are required by the Escrow Agent.

"**Escrow Amount**" means an amount in cash equal to nine million dollars ($9,000,000).

"**Estimated Aggregate Cash Amount**" means (i) the Estimated Closing Consideration minus (ii) the Estimated Aggregate Equity Amount.

"**Estimated Aggregate Equity Amount**" means an amount equal to (i) one hundred million dollars ($100,000,000) or, if the Estimated Closing Consideration is less than one hundred million dollars ($100,000,000), such lesser amount minus (ii) the Notional Aggregate Post-Merger Equity Amount.

"**Estimated Aggregate Non-Employee Equity Portion**" means (i) the Estimated Aggregate Equity Amount minus (ii) the aggregate sum of the Estimated Per Unitholder Equity Consideration payable to all Unitholders that are Company Employees and the Unitholders set forth on Section 1.1(a) of the Company Disclosure Schedule (without duplication).

"**Estimated Aggregate Non-Employee Portion**" means (i) the Estimated Closing Consideration minus (ii) the aggregate sum of the Estimated Per Unitholder Consideration payable to all Unitholders that are Company Employees and the Unitholders set forth on Section 1.1(a) of the Company Disclosure Schedule (without duplication).

"**Estimated Closing Consideration**" means (i) $165,000,000, minus (ii) the amount of Estimated Closing Indebtedness, minus (iii) the amount, if any, by which the amount of Target Cash exceeds the amount of Estimated Cash, plus (iv) the amount, if any, by which the amount of Estimated Cash exceeds the amount of Target Cash, minus (v) the amount, if any, by which the Target Working Capital Amount exceeds the Estimated Working Capital Amount, plus (vi) the amount, if any, by which the Estimated Working Capital Amount exceeds the Target Working Capital Amount, minus (vii) the Escrow Amount, minus (viii) Estimated Transaction Expenses, minus (ix) the Securityholder Representative Funds.

"**Estimated Non-Employee Cash Percentage**" means one (1) minus the Estimated Non-Employee Equity Percentage.

"**Estimated Non-Employee Equity Percentage**" means (i) the Estimated Aggregate Non-Employee Equity Portion divided by (ii) the Estimated Aggregate Non-Employee Portion.

"Estimated Per Unitholder Cash Consideration" means, as set forth in the Merger Payment Schedule, (x) (i) with respect to any Company Employee, an amount in cash (rounded up to the nearest cent) equal to (A) the Estimated Per Unitholder Consideration with respect to such Unitholder multiplied by (B) 0.50 and (ii) with respect to any Unitholder other than a Company Employee, an amount in cash (rounded up to the nearest cent) equal to (A) the Estimated Per Unitholder Consideration with respect to such Unitholder multiplied by (B) the Estimated Non-Employee Cash Percentage; provided, that, subject to the last proviso of this sentence, with respect to any Company Employee, if the Estimated Per Unitholder Consideration plus the Notional Post-Merger Per Unitholder Amount does not exceed one hundred thousand dollars ($100,000), the Estimated Per Unitholder Cash Consideration with respect to such Company Employee shall be the Estimated Per Unitholder Consideration and the Notional Post-Merger Per Unitholder Cash Amount with respect to such Company Employee shall be the Notional Post-Merger Per Unitholder Amount; provided, further , that notwithstanding the foregoing, the Estimated Per Unitholder Cash Consideration with respect to the Unitholders set forth on Section 1.1(a) of the Company Disclosure Schedule shall be zero dollars ($0).

"**Estimated Per Unitholder Equity Consideration** " means, as set forth in the Merger Payment Schedule, a number of Parent Class A Shares or Purchaser Units, which in the case of Company Employees shall be Restricted Shares or Restricted Units (determined and allocated pursuant to Section 3.2(a)) (rounded down to a whole number) equal to (A) (i) the Estimated Per Unitholder Consideration with respect to such Unitholder minus (ii) the Estimated Per Unitholder Cash Consideration with respect to such Unitholder divided by (B) the Reference Price.

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder, or any successor statute, rules and regulations thereto.

"**FINRA**" means the Financial Industry Regulatory Authority.

"**Fraud**" means, with respect to any party to this Agreement, an actual and intentional fraud with respect to the making of representations and warranties contained in this Agreement and not with respect to any other matters; provided, that such actual and intentional fraud of such party hereto specifically excludes any statement, representation or omission made negligently and shall only be deemed to exist if (i) such party had actual knowledge that the representations and warranties made by such party were actually inaccurate when made, (ii) that such representations and warranties were made with the express intent to induce another party to this Agreement to rely thereon (or with the expectation that such other party would rely thereon) and that such other party would take action or inaction to such other party's detriment, (iii) such reliance and subsequent action or inaction by such other party was justifiable and (iv) such action or inaction resulted in damages, losses or liabilities, to such other party.

"**GAAP**" means United States generally accepted accounting principles and practices applied on a basis consistent with the Financial Statements.

"**Governmental Antitrust Entity**" means any Governmental Entity with regulatory jurisdiction over enforcement of any applicable Competition Law.

"**Governmental Entity**" means any government, any agency, bureau, board, commission, court, department, official, political subdivision, tribunal or other instrumentality of any government, whether foreign, federal, state or local, any self-regulatory organization (including any securities exchange and FINRA).

"**Governmental Order**" means any order, writ, judgment, injunction, decree, stipulation, determination, ruling or award entered by or with any Governmental Entity.

"**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.

"**Intellectual Property**" means all United States and foreign intellectual property (including all rights arising from or in respect of the following under any United States or foreign Law) including all: (i) trademarks, service marks, trade names, and business names; (ii) inventions (whether or not patentable and whether or not reduced to practice), improvements, patents, patent applications, patent disclosures, divisional s, continuations, continuations-in-part, reissues, reexaminations, and any extensions thereof; (iii) works of authorship (whether or not published), copyrights, copyrightable works and moral rights therein; (iv) Internet domain names; (v) all registrations and applications for registration of any of (i)-(iv); (vi) trade secrets, know-how and all other confidential information used in a business that confers a competitive advantage over those in similar businesses who or which do not possess such confidential information ("Trade Secrets").

"IT Systems" means all computer systems, servers, network equipment and other computer hardware owned, leased or licensed by the Company and its Subsidiaries or otherwise used in the conduct of the business of the Company and its Subsidiaries.

"Joinders" means (i) a joinder to the limited partnership agreement of Purchaser; and (ii) a joinder to that certain Exchange Agreement by and among the Parent and Purchaser, dated October 1, 2015.

"**Key Employees**" means the employees listed on Section 1.1(b) of the Company Disclosure Schedule.

"**Knowledge of the Company**" (or similar phrases) means the actual knowledge after reasonable inquiry of the individuals listed on Section 1.1(c) of the Company Disclosure Schedule.

"**Law**" means any federal, state or local statute, law, ordinance, rule, regulation, order, writ, injunction, directive, judgment, decree, ruling or other legally-binding requirement of a Governmental Entity or any similar provision having the force or effect of law.

"**LLC Agreement**" means the Amended and Restated Limited Liability Company Agreement of CamberView Partners Holdings, LLC, dated as of August 19, 2016, as amended by the First Amendment thereto dated the date hereof (as may be further amended or modified from time to time).

"**Management Holdings I**" means CamberView Management Holdings, LLC, a Delaware limited liability company.

"**Management Holdings II**" means CamberView Management Holdings II, LLC, a Delaware limited liability company.

"**Management Holdings Entities**" means Management Holdings I and Management Holdings II.

"**Management Holdings Assignment** " means the assignment from Management Holdings I and Management Holdings II, as the direct holders of Class C Units and Class D Units, respectively, of the right to receive the payments set forth in Section 3.2(a)(ii) , to their respective members, which assignment shall allocate such payments in accordance with the Management Holdings Entities' respective limited liability company agreements or other applicable governing documents and shall provide that from and after such assignment the holders of limited liability company interests in the Management Holdings Entities, and not the Management Holdings Entities, shall be entitled to receive the payments set forth Section 3.2(a)(ii).

"**Notional Aggregate Post-Merger Amount**" means an amount in cash equal to the Escrow Amount plus the Securityholder Representative Funds.

"**Notional Aggregate Post-Merger Cash Amount**" means an amount equal to the aggregate sum for all of the Unitholders of the Notional Post-Merger Per Unitholder Cash Amount with respect to each Unitholder.

"**Notional Aggregate Post-Merger Equity Amount**" means an amount equal to the aggregate sum for all of the Unitholders of the Notional Post-Merger Per Unitholder Equity Amount with respect to each Unitholder.

"Notional Post-Merger Per Unitholder Amount" means the estimated per Unitholder amount calculated by allocating among the Unitholders the Notional Aggregate Post-Merger Amount, determined as though the Notional Aggregate Post-Merger Amount was distributed to all Unitholders in accordance with Section 3.1(c) of the LLC Agreement (calculated as if such distribution were added to the deemed distribution referred to in Section 3.1(a) and then distributed to the holders that would have been entitled to but did not receive the incremental amount in the distribution referred to in Section 3.1(a)), as set forth in the Merger Payment Schedule.

"Notional Post-Merger Per Unitholder Cash Amount" means, as set forth in the Merger Payment Schedule, (i) with respect to any Company Employee, an amount equal to (A) the Notional Post-Merger Per Unitholder Amount with respect to such Unitholder multiplied by (B) 0.50 and (ii) with respect to any Unitholder other than a Company Employee, an amount equal to (A) the Notional Post-Merger Per Unitholder Amount with respect to such Unitholder multiplied by (B) the Estimated Non-Employee Cash Percentage; provided, that notwithstanding the foregoing, the Notional Post-Merger Per Unitholder Cash Amount with respect to the Unitholders set forth on Section 1.1(a) of the Company Disclosure Schedule shall be zero ($0) dollars.

"**Notional Post-Merger Per Unitholder Equity Amount**" means, as set forth in the Merger Payment Schedule, an amount equal to (i) the Notional Post-Merger Per Unitholder Amount with respect to such Unitholder minus (ii) the Notional Post-Merger Per Unitholder Cash Amount with respect to such Unitholder.

"**Parent Class A Shares**" means shares of Parent's Class A common stock, par value $0.01 per share.

"**Parent Material Adverse Effect**" means any change, fact, circumstance, state of facts, occurrence, development or event that has had or would reasonably be expected to have, individually or in the aggregate with other such changes or events, (a) a material adverse effect on the ability of Parent, Purchaser and Merger Sub to consummate the Transactions or to perform their obligations under this Agreement or (b) a material adverse effect on the results of operations or financial condition of Parent and its Subsidiaries, taken as a whole; provided, however, in no event shall any of the following, alone or in combination, be deemed to constitute a Parent Material Adverse Effect, nor shall any change or event relating to any of the following be taken into account in determining whether a Parent Material Adverse Effect has occurred or would result: (i) general economic, regulatory or financial market conditions in any of the geographical areas in which any of Parent and its Subsidiaries operate or changes in the capital, financing, banking or currency markets; (ii) conditions generally affecting the industry in which

the Parent and its Subsidiaries operate or the capital or financial, banking or securities markets generally (including events affecting the United States or global economy); (iii) changes in Law or in GAAP; (iv) the commencement or material worsening of a war or armed hostilities or other national or international calamity involving the United States whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the United States, or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the United States; (v) any earthquake, hurricane, tsunami, tornado, flood, mudslide or other natural disaster, pandemic, weather condition, explosion or fire or other force majeure event or act of God; (vi) any actions taken, or failures to take action, or such other changes or events, in each case, which the Company has requested or to which it has consented in writing (including via email) or which actions, changes or events are expressly contemplated by this Agreement; (vii) the negotiation, execution, delivery, announcement, pendency or performance of this Agreement or the Transactions, or any public disclosure relating to any of the foregoing, or the impact of any of the foregoing on relationships, contractual or otherwise, with customers, lenders, employees or other Persons with business relationships with Parent or its Subsidiaries; (viii) any cyber-attacks, data breaches, ransomware attacks or similar events affecting Parent or its Subsidiaries, excluding any such breaches, attacks or events to the extent attributable to the negligence of Parent or its Subsidiaries; and (ix) any failure, in and of itself, by Parent to meet projections, budgets, forecasts, revenue or earnings predictions or other similar forward looking statements for any period ending on or after the date of this Agreement; (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taken into account in determining whether there has been or will be, a Parent Material Adverse Effect, to the extent not otherwise excluded pursuant to clauses (i) through (viii) above); except, in the case of the foregoing clauses (i), (ii), (iii), (iv) and (v), to the extent such change or event has a materially disproportionate impact on Parent and its Subsidiaries, taken as a whole, compared to other Persons similarly situated in the businesses or industries in which Parent and its Subsidiaries conduct their business in the geographies in which such business is conducted.

"**Pass-Through Tax Return**" means any income Tax Return filed by the Company or any Subsidiary to the extent that (i) the Company or such Subsidiary, as the case may be, is treated as a partnership or other pass-through entity for the purposes of such Tax Return and (ii) any results and operations or any items of income, loss, gain, deduction or other Tax attributes reflected on such Tax Return that would be reflected on the Tax Returns of any Unitholder or any direct or indirect owner of any Unitholder.

"**Pension Plan** " means any Benefit Plan that is an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA (including any "multiemployer plan" within the meaning of Section (3)(37) of ERISA).

"**Permitted Encumbrance** " means: (i) mechanics', carriers', workers', repairers', materialmen's, warehousemen's, construction and other Encumbrances arising or incurred in the ordinary course of business; (ii) Encumbrances for Taxes, utilities and other governmental charges that are not due and payable, are being contested in good faith by appropriate proceedings or may thereafter be paid without penalty and for which adequate reserves have been established in the Financial Statements in accordance with GAAP; (iii) in the case of

Leased Real Property, matters that would be disclosed by an accurate survey or inspection of such Leased Real Property; (iv) matters of record or registered Encumbrances affecting title to any asset which do not materially impair the current use or occupancy of such asset in the operation of the business conducted thereon; (v) requirements and restrictions of zoning, building and other applicable Laws and municipal by-laws, and development, site plan, subdivision or other agreements with municipalities which are not violated in any material respect by the current use or occupancy of the Leased Real Property; (vi) statutory Encumbrances of landlords for amounts not due and payable, that are being contested in good faith by appropriate proceedings or may thereafter be paid without penalty; (vii) Encumbrances arising under conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business; and (viii) non-exclusive licenses to Intellectual Property granted in the ordinary course of business.

"**Person**" means an association, a corporation, an individual, a partnership, a limited liability company, an unlimited liability company, a trust or any other entity or organization, including a Governmental Entity.

"Personal Information" means, in addition to any definition provided by the Company for any similar term (e.g., "personally identifiable information" or "PII") in the Company's privacy policies or other public-facing statements, all information relating to an identified or identifiable individual, or that is otherwise considered "personal information," "personally identifiable information," "PII" or any similar term under applicable Law.

"**Post-Signing VWAP**" means the arithmetic average of the daily intra-day volume-weighted average price of one Parent Class A Share on its primary exchange during the regular trading session (and excluding pre-market and after-hours trading) over ten (10) consecutive trading days beginning on the first trading day after the date hereof.

"**Preferred Units**" means limited liability company interests in the Company designated as "Preferred Units" under the LLC Agreement and issued in accordance with Section 2.2(e), Section 2.2(f) or Section 2.2(g) thereof.

"**Pre-Signing VWAP**" means the arithmetic average of the daily intra-day volume-weighted average price of one Parent Class A Share on its primary exchange during the regular trading session (and excluding pre-market and after-hours trading) over ten (10) consecutive trading days ending on the trading day immediately prior to the date hereof.

"Privacy Laws" means any Laws and legal requirements governing the receipt, collection, compilation, use, storage, processing, sharing, safeguarding, security, disposal, destruction, disclosure or transfer of Personal Information applicable to the Company and its Subsidiaries.

"**Purchaser Unit**" means a Class A Unit (as such term is defined in the Second Amended and Restated Limited Partnership Agreement of Purchaser, dated as of October 1, 2015, as such agreement may be amended and/or restated from time to time) of Purchaser.

"**Qualified Plan**" means any Company Benefit Plan that is intended to meet the requirements of Section 401(a) of the Code.

"**Reference Price**" means (i) if the VWAP Average is equal to or greater than $61.60, $61.60, (ii) if the VWAP Average is less than $61.60 and greater than $50.40, the VWAP Average, and (iii) if the VWAP Average is equal to or less than $50.40, $50.40.

"**Registration Rights Agreement**" means a registration rights agreement between Parent and certain Unitholders dated as of the date hereof.

"**Representatives**" means with respect to any Person, any of such Person's officers, directors, managers, employees, Affiliates, shareholders, members, partners, controlling persons, agents, consultants, advisors, and other representatives, including legal counsel, accountants, agents and financial advisors.

"**Restricted Shares**" means Parent Class A Shares issued to each Unitholder who is a Company Employee, pursuant and subject to the terms and conditions set forth in the Restricted Stock Agreements.

"**Restricted Stock Agreement**" means each Restricted Stock Award Agreement entered into at or prior to Closing, between the applicable Unitholder that is a Company Employee and Parent relating to the Restricted Shares such Unitholder is entitled to receive as the Estimated Per Unitholder Equity Consideration with respect to such Unitholder, the Adjustment Per Unitholder Payment with respect to such Unitholder and the Leftover Per Unitholder Payment with respect to such Unitholder, the form of which is attached hereto as Exhibit E.

"**Restricted Units** " means Purchaser Units, issued to the Unitholders that are Key Employees, pursuant and subject to the terms and conditions set forth in the Restricted Unit Agreements.

"**Restricted Unit Agreements**" means each of (i) a Restricted Unit Award Agreement entered into prior to Closing, between each Unitholder that is a Key Employee and Purchaser relating to the Restricted Units such Unitholder is entitled to receive as the Estimated Per Unitholder Equity Consideration with respect to such Unitholder, the Adjustment Per Unitholder Payment with respect to such Unitholder and the Leftover Per Unitholder Payment with respect to such Unitholder, the form of which is attached hereto as Exhibit F; and (ii) each of the Joinders.

"**Sample Calculations**" means the sample calculations set forth on Section 1.1(d) of the Company Disclosure Schedule of each of Working Capital (including Transaction Expenses), Closing Cash and Closing Indebtedness, in each case, as of the Latest Balance Sheet Date (assuming consummation of the Transactions with respect to the determination of the Transaction Expenses).

"**SEC**" means the United States Securities and Exchange Commission.

"**Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, or any successor statute, rules and regulations thereto.

"**Senior Advisors**" means each Person with the title at the Company of "Senior Advisor", which Persons as of the date hereof are set forth on Section 1.1(e) of the Company Disclosure Schedule.

"**Split Fees**" means all fees and expenses payable to the Escrow Agent in accordance and subject to the terms of the Escrow Agreement and all fees and expenses payable to the Paying Agent.

"**Subsidiary** " of any Person means, on any date, any Person (i) the accounts of which would be consolidated with and into those of the applicable Person in such Person's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date or, (ii) of which securities or other ownership interests representing more than fifty percent (50%) of the equity or more than fifty percent (50%) of the ordinary voting power or, in the case of a partnership, more than fifty percent (50%) of the general partnership interests or more than fifty percent (50%) of the profits or losses of which are, as of such date, owned, controlled or held by the applicable Person or one or more subsidiaries of such Person; provided, that for purposes of Section 4.11(k), Section 4.12(b), Section 4.12(e) and Section 6.1(i) of this Agreement, "Subsidiaries" of the Company shall include the Management Holdings Entities and CamberView Manager, LLC.

"**Target Cash**" means one million seven hundred thousand dollars ($1,700,000).

"**Target Working Capital Amount**" means one million eight hundred thousand dollars ($1,800,000).

"**Tax**" means any (i) foreign, federal, state or local income, gross receipts, franchise, estimated, alternative minimum, add on minimum, sales, use, transfer, real property gains, registration, escheat, unclaimed property, value added, excise, natural resources, severance, stamp, occupation, premium, windfall profit, environmental, real property, personal property, capital stock, social security, unemployment, disability, payroll, license, employee or withholding tax, including any interest, penalties or additions to tax or additional amounts in respect of the foregoing and (ii) any liability for the payment of any amount described in clause (i) above payable as a result of (A) transferee, assumption or successor liability, or otherwise by operation of Law or (B) a Contract (other than any customary Contract that is not primarily related to Taxes).

"**Tax Allocation Principles**" has the meaning provided in Section 6.9(b).

"**Tax Liability Amount**" means, without duplication, determined as of the end of the Closing Date (but not taking into account any actions by Purchaser or its Affiliates (including the Company and its Subsidiaries) following the Closing that are outside the ordinary course of business), the amount of any unpaid Taxes of the Company or its Subsidiaries for any taxable period (or portion thereof) ending on or before the Closing Date, which amount (i) shall be calculated by taking into account any available Tax assets (provided that the Tax Liability Amount shall not be less than zero) and applying the Tax Allocation Principles; and (ii) shall not include any Taxes included in Transaction Expenses or in clause (vi) of Closing Indebtedness, or any deferred or contingent Taxes.

"**Tax Return**" means any return, statement, schedule, declaration, report, claim for refund or information return (including any related or supporting schedule or statement attached thereto and including any amendment thereof) filed or required to be filed in connection with the determination, assessment or collection of any Tax of any party or the administration of any Laws or administrative requirements relating to any Tax.

"**Transaction Agreements**" means this Agreement, the Escrow Agreement, the Paying Agent Agreement, the Registration Rights Agreement and the Certificate of Merger.

"**Transaction Expenses** " means all costs, fees and expenses incurred by the Company or any of its Subsidiaries in connection with the Transactions to the extent unpaid prior to Closing, including (i) the fees and expenses payable by the Company or any of its Subsidiaries to Simpson Thacher & Bartlett LLP and any other outside attorneys engaged by the Company or any of its Subsidiaries in connection with this Agreement, the other Transaction Agreements and the Transactions, (ii) the fees and expenses payable by the Company or any of its Subsidiaries to outside accountants, advisors or consultants which fees and expenses were incurred in connection with this Agreement, the other Transaction Agreements and the Transactions, (iii) the amount of stay bonuses, sales bonuses, change of control payments, retention payments or similar payments made or payable by or on behalf of the Company or any of its Subsidiaries in connection with the Transactions (plus the employer portion of any payroll, employment, social security, unemployment or similar Taxes payable with respect to such amounts) pursuant to arrangements entered into prior to Closing, including the Employee Reallocation Amount, (iv) the cost of all severance payments and benefits made or provided by or on behalf of the Company or any of its Subsidiaries in connection with the Transactions (plus the employer portion of any payroll, employment, social security, unemployment or similar Taxes payable with respect to such amounts), for only those employees that the Chief Executive Officer and Purchaser jointly determine may not have a role with the Purchaser or its Affiliates after the Closing, the determination of which shall be made prior to or within ninety (90) days after the Closing Date (including, for the avoidance of doubt, any payments and benefits that are payable to such employees who are terminated within such ninety (90) day period or to whom notice of termination has been provided in such period, even if termination occurs or severance is paid after such period); provided, that such cost referred to in this clause (iv) shall not exceed one million dollars ($1,000,000), and (v) fifty percent (50%) of all Split Fees.

"**Transactions**" means, collectively, the transactions and the other agreements contemplated hereby, including the Merger.

"**Transfer Taxes**" means any sales, use, goods and services, stock transfer, real property transfer, transfer, stamp, registration, documentary, recording or similar duties or taxes together with any interest thereon, penalties, fines, fees, additions to tax or additional amounts with respect thereto incurred in connection with the Transactions.

"**Unitholders**" means the holders of Units and shall also be deemed to include the members of the Management Holdings Entities who indirectly hold Units and will be entitled to receive the payments set forth in Section 3.2(a)(ii) of this Agreement as a result of the Management Holdings Assignment. References to Units held by "Unitholders" shall, with respect to Units held by the Management Holdings Entities, also include the indirect ownership of Units by the members of the Management Holdings Entities.

"**Units**" means, collectively, the Class A Units, the Class B Units, the Class C Units, the Class D Units, the Class E Units and the Preferred Units.

"**VWAP Average**" means an amount equal to the arithmetic average of (i) the Pre-Signing VWAP and (ii) the Post-Signing VWAP.

"**Working Capital**" means, (i) current assets minus (ii) current liabilities (excluding deferred rent and forty percent (40%) of deferred revenue), in each case determined in accordance with Annex A hereto using only the line-items reflected as current assets and current liabilities in the Sample Calculations; provided, however, that Working Capital shall not include (i) Closing Cash, (ii) Closing Indebtedness, (iii) current or deferred Tax assets or liabilities, (iv) Transaction Expenses or (v) the Employee Reallocation Amount.

ARTICLE II

THE MERGER

Section 2.1 The Merger. At the Effective Time, Merger Sub shall be merged with and into the Company in accordance with Section 18-209 of the DLLCA, whereupon the separate existence of Merger Sub shall cease, and the Company shall continue as the surviving limited liability company in the Merger (the "**Surviving Entity**").

Section 2.2 Closing .

(a) The closing of the Transactions (the "**Closing**") shall take place at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, at 9:00 a.m., New York time, on October 1, 2018; provided, that if the conditions precedent set forth in Article VII have not been satisfied or waived in accordance with this Agreement (subject to Section 2.2(b)) as of the third (3rd) Business Day prior to October 1, 2018 (other than those conditions that by their nature only may be satisfied by actions to be taken at the Closing, but subject to the satisfaction or waiver of those conditions at such time), the Closing shall take place on the day that is the third (3rd) Business Day after the date on which the conditions precedent set forth in Article VII (other than those conditions that by their nature only may be satisfied by actions to be taken at the Closing, but subject to the satisfaction or waiver of those conditions at such time (subject to Section 2.2(b)) have been satisfied or waived (subject to Section 2.2(b)) in accordance with this Agreement, or at such other place and time or on such other date as the parties hereto may mutually agree in writing. The date on which the Closing occurs is referred to in this Agreement as the "**Closing Date**".

(b) Notwithstanding Section 2.2(a) and any other provision of this Agreement to the contrary, on the first date (the "**Satisfaction Date**") on which all of the conditions precedent set forth in Section 7.1 and Section 7.2(a) are fully satisfied or waived (provided that references in Section 7.2(a) to the Closing Date shall be deemed to be references to the Satisfaction Date) and the satisfaction of which condition set forth in Section 7.2(a) shall have been certified in writing by an officer of the Company), (i) the condition set forth in Section 7.2(a) shall be deemed to be fully satisfied from and after the Satisfaction Date through and including the Closing, without regard to any change in circumstances or other events that may

occur after the Satisfaction Date, and Purchaser shall be deemed to have irrevocably waived as of the Satisfaction Date all rights to assert the failure of such condition to be satisfied, other than with respect to the inaccuracy of Section 4.8(b) due to Fraud by the Company, and (ii) Purchaser shall be deemed to have irrevocably and permanently waived as of the Satisfaction Date any right to terminate this Agreement pursuant to Section 8.1(d) as a result of the breach of any representation or warranty of the Company, except for a breach of Section 4.8(b) due to Fraud by the Company, that would render the condition set forth in Section 7.2(a) not to be satisfied following the Satisfaction Date; provided , that, for the avoidance of doubt, the foregoing clause (ii) shall not prevent Purchaser's right to claim, prior to Closing, that the Satisfaction Date did not occur to the extent that such failure was due to Fraud by the Company with respect to the certificate delivered pursuant to this Section 2.2(b).

Section 2.3 **Effective Time**. In connection with the Closing, the Company shall duly execute and file a certificate of merger (the "**Certificate of Merger**") in accordance with the applicable provisions of the DLLCA. The Merger shall become effective on the Closing Date at such time as the Certificate of Merger is duly filed with the Office of the Secretary of the State of the State of Delaware, unless Purchaser and the Company shall agree and specify a subsequent date or time in the Certificate of Merger, in which case the Merger shall become effective at such subsequent date or time (the time the Merger becomes effective being the "**Effective Time**"). Subject to the DLLCA, the parties agree that for all purposes the Closing shall be deemed effective as of the Adjustment Time.

Section 2.4 **Effects of the Merger**. The Merger will have the effects provided in this Agreement and the applicable provisions of the DLLCA. Without limiting the generality of the foregoing, at the Effective Time, all the property, rights, privileges, powers and franchises of the Company and Merger Sub shall vest in the Surviving Entity, and all claims, obligations, liabilities, debts and duties of the Company and Merger Sub shall become the claims, obligations, liabilities, debts and duties of the Surviving Entity.

Section 2.5 **Limited Liability Company Agreement of the Surviving Entity**. At the Effective Time, the limited liability company agreements attached hereto as Exhibit B shall become the limited liability company agreement of the Surviving Entity.

Section 2.6 **Manager and Officers**. The managers of Merger Sub shall, from and after the Effective Time, become the managers of the Surviving Entity until their successors shall have been duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the limited liability company agreement of the Surviving Entity and applicable Law. The officers of Merger Sub shall, from and after the Effective Time, become the officers of the Surviving Entity until their successors shall have been duly elected, appointed or qualified or until their earlier death, resignation or removal in accordance with the limited liability company agreement of the Surviving Entity and applicable Law.

Section 2.7 **Allocation** . The parties intend to treat the acquisition of interests of the Company in the Merger, as a merger of the Company and Purchaser, with Purchaser as an "assets-over form" merger under Treasury Regulation Section 1.708-1(c)(3), provided that the portion of the Company interests that are acquired for consideration other than Purchaser Units shall be treated as acquired through a sale of the Company interests in accordance with Treasury

Regulation Section 1.708-1(c)(4) (the "**Intended Tax Treatment**"). The Securityholder Representative shall prepare, and deliver to Purchaser, within ninety (90) days following the determination of the Final Closing Consideration in accordance with Section 3.4, an allocation of the Final Closing Consideration and any other amounts treated as consideration for U.S. federal income tax purposes among the Company's assets in accordance with Section 732(c) of the Code (and Section 751 and 755, if applicable) and the Treasury regulations promulgated thereunder (the "**Allocation**"). Purchaser shall have thirty (30) days from the receipt of the Allocation to review and comment on the Allocation, after which the Securityholder Representative and Purchaser shall negotiate in good faith to agree on such Allocation; provided that if Purchaser does not provide any comments in writing within such period, such Allocation shall become binding on the parties. Any disputes under this Section 2.7 that cannot be resolved through good faith negotiation shall be referred to the Independent Accountant, whose determination shall be final and binding upon the parties. The cost of the Independent Accountant's review and determination shall be borne in accordance with the principles of Section 3.4(e). The Securityholder Representative and Purchaser shall report consistently with the Intended Tax Treatment and the Allocation on all Tax Returns, and neither the Securityholder Representative nor Purchaser shall take any position in any return that is inconsistent with the Intended Tax Treatment or the Allocation, as finally determined in accordance with this Agreement, in each case, unless required to do so by a final determination as defined in Section 1313 of the Code.

Section 2.8 **Withholding**. Purchaser, the Company, the Paying Agent and the Escrow Agent and each of their respective Affiliates shall be entitled to deduct and withhold (without duplication) from any and all payments made under this Agreement such amounts as may be required to be deducted and withheld under applicable Laws; provided that before making any deduction or withholding pursuant to this Section 2.8 (other than with respect to compensatory payments), Purchaser shall notify the Securityholder Representative at least five (5) days prior to the Closing Date of any such anticipated deduction or withholding (together with any legal basis therefor), provide the Securityholder Representative with sufficient opportunity to cause to be provided any forms or other documentation or take such other steps in order to avoid such deduction or withholding, and reasonably consult and cooperate with the Securityholder Representative in good faith to attempt to reduce or eliminate any amounts that would otherwise be deducted or withheld pursuant to this Section 2.8. To the extent such amounts are withheld and paid to the appropriate taxing authority in accordance with applicable Laws, such withheld amount shall be treated for all purposes of this Agreement as having been paid to the Person to whom such amounts would have otherwise been paid.

ARTICLE III

EFFECT OF THE MERGER

Section 3.1 **Closing Statement; Payment Schedules; Letter of Transmittal**.

(a) At least two (2) Business Days prior to the Closing Date, the Company shall deliver to Purchaser a schedule (the "**Merger Payment Schedule**") showing the allocation of the Estimated Closing Consideration among all Unitholders at the Effective Time, as if the Estimated Closing Consideration were distributed in accordance with Section 3.1(c) of the LLC Agreement and as if the Management Holdings Assignment had already occurred (such

allocation per Unitholder, as set forth on the Merger Payment Schedule, the "**Estimated Per Unitholder Consideration**"); the Estimated Per Unitholder Equity Consideration for each Unitholder; the Estimated Per Unitholder Cash Consideration for each Unitholder; the Estimated Aggregate Cash Amount; the Estimated Aggregate Equity Amount (and the allocation thereof between Parent Class A Shares and Purchaser Units); the Notional Post-Merger Per Unitholder Amount; the Notional Post-Merger Per Unitholder Cash Amount; and the Notional Post-Merger Per Unitholder Equity Amount.

(b) Promptly following the final determination of the Final Closing Consideration in accordance with Section 3.4(f), if there is an Excess Amount and/or Remaining Amount payable pursuant to Section 3.4(f), the Securityholder Representative shall deliver to Purchaser a schedule (the "**Adjustment Payment Schedule**") showing the allocation (including the form of consideration as determined be Section 3.2(a)(iv) hereof) among the Unitholders of such Excess Amount and Remaining Amount, as applicable, determined as though all of the Excess Amount and Remaining Amount was distributed to all Unitholders in accordance with Section 3.1(c) of the LLC Agreement (calculated as if such distribution were added to the deemed distribution referred to in Section 3.1(a) and then distributed to the holders that would have been entitled to but did not receive the incremental amount in the distribution referred to in Section 3.1(a)) (such allocation per Unitholder, as set forth on the Adjustment Payment Schedule with respect to each Unitholder, the "**Adjustment Per Unitholder Payment**") and Deficiency Amount (if applicable).

(c) Promptly following the date, if any, on which the Securityholder Representative determines that there is a Leftover Amount, the Securityholder Representative shall deliver to Purchaser a schedule (the "**Leftover Payment Schedule**") showing the allocation (including the form of consideration as determined be Section 3.2(a)(iv) hereof)among the Unitholders of the Leftover Amount determined as though all of the Leftover Amount was distributed to all Unitholders in accordance with Section 3.1(c) of the LLC Agreement (calculated as if such distribution were added to the deemed distributions referred to in Section 3.1(a) and Section 3.1(b) and then distributed to the Unitholders that would have been entitled to but did not receive the incremental amount in such distributions referred to in Section 3.1(a) and Section 3.1(b)) (such allocation per Unitholder, as set forth on the Leftover Payment Schedule, the "**Leftover Per Unitholder Payment**") .

(d) A sample Merger Payment Schedule, Adjustment Payment Schedule, and Leftover Payment Schedule is set forth on Schedule I and illustrates the agreed methodology for the allocation of the Estimated Closing Consideration among all Unitholders.

(e) At a reasonable time prior to the Closing Date, the Company shall deliver to each Unitholder a letter of transmittal substantially in the form of Exhibit C, with such changes therein as may be agreed between the Company and Purchaser prior to the Closing or as may be reasonably required by the Paying Agent (the "**Letter of Transmittal**") together with a request to have such Unitholder deliver an executed Letter of Transmittal to the Paying Agent no less than two (2) Business Days prior to the Closing. Upon delivery to the Paying Agent of a Letter of Transmittal duly executed and completed in accordance with the instructions thereto, such Unitholder shall be entitled to receive for such Unitholder's Units the payments described in Section 3.2(a)(ii) if the Closing occurs. If a Unitholder has not delivered to the Company a

Letter of Transmittal, such Unitholder will become entitled to receive the payments for such Units described in Section 3.2(a)(ii) promptly upon receipt by the Company of an executed Letter of Transmittal from such Unitholder. The Company shall provide the Securityholder Representative and Purchaser with a copy of each Letter of Transmittal it receives promptly after the receipt thereof.

Section 3.2 Merger and Payments.

(a) At the Effective Time, by virtue of the Merger and without any action on the part of the Company, Purchaser, Merger Sub or any of the Unitholders:

(i) All issued and outstanding Units held by the Company (collectively, the "**Cancelled Units**") shall be automatically cancelled and no consideration shall be issued or paid in respect thereof.

(ii) The Units held by each Unitholder (including any Unit that vests in connection with the Transactions (either pursuant to the terms thereof or as determined by the Company)), other than the Cancelled Units shall be automatically cancelled and converted into the right to receive:

(A) An amount in cash equal to the Estimated Per Unitholder Cash Consideration and a number of Parent Class A Shares or Purchaser Units, as applicable, equal to the Estimated Per Unitholder Equity Consideration, in each case, with respect to such Unitholder (payable in the form set forth in Section 3.2(a)(iii)); plus

(B) In the event a Remaining Amount and/or Excess Amount is payable pursuant to Section 3.1(b), an amount equal to the Adjustment Per Unitholder Payment with respect to such Unitholder (payable in the form set forth in Section 3.2(a)(iv)); plus

(C) In the event a Leftover Amount is payable pursuant to Section 3.1(c), an amount equal to the Leftover Per Unitholder Payment with respect to such Unitholder (payable in the form set forth in Section 3.2(a)(iv)).

(iii) The Estimated Per Unitholder Equity Consideration issuable pursuant to Section 3.2(a)(ii) shall be paid in the form of (A) Restricted Shares to each Unitholder who is a Company Employee, other than the Key Employees, the receipt of which shall be conditioned upon each such Company Employee duly executing and delivering, or causing to be delivered, to Parent a Restricted Stock Agreement prior to Closing, (B) Restricted Units to each Key Employee, the receipt of which shall be conditioned upon each such Unitholder duly executing and delivering, or causing to be delivered, to Purchaser a Restricted Unit Agreement prior to Closing, (C) Purchaser Units to each Unitholder set forth on Section 1.1(a) of the Company Disclosure Schedule that is not a Key Employee, the receipt of which shall be conditioned upon each such Unitholder duly executing and delivering, or causing to be delivered, to Purchaser, each of the Joinders prior to Closing and (D) Parent Class A Shares to each Unitholder that is not a Company Employee and not set forth on Section 1.1(a) of the Company Disclosure

Schedule. At the Effective Time, all rights in respect of all Units shall cease to exist, other than the right to receive the consideration as described in Section 3.2(a)(ii) payable, in each case, at the times provided for herein. For the avoidance of doubt, for purposes of all allocations of the Estimated Closing Consideration, all Parent Class A Shares and Purchaser Units shall be deemed to have a value equal to the Reference Price.

(iv) Any Adjustment Per Unitholder Payment payable pursuant to Section 3.2(a)(ii)(B) and any Leftover Per Unitholder Payment payable pursuant to Section 3.2(a)(ii)(C) shall be paid in the form of (A) with respect to each Unitholder who is a Company Employee, other than the Key Employees, fifty percent (50%) in cash and fifty percent (50%) in Restricted Shares (with the number of such Restricted Shares determined by dividing (x) fifty percent (50%) of the Adjustment Per Unitholder Payment or the Leftover Per Unitholder Payment (as applicable) payable to such Company Employee by (y) the Reference Price), the receipt of which Restricted Shares shall be conditioned upon each such Company Employee duly executing and delivering, or causing to be delivered, to Parent a Restricted Stock Agreement prior to the receipt of such payment, (B) with respect to each Key Employee, one hundred percent (100%) in Restricted Units (with the number of such Restricted Units determined by dividing (x) the Adjustment Per Unitholder Payment or the Leftover Per Unitholder Payment (as applicable) payable to such Key Employee by (y) the Reference Price), the receipt of which shall be conditioned upon each such Key Employee duly executing and delivering, or causing to be delivered, to Purchaser a Restricted Unit Agreement prior to the receipt of such payment, (C) with respect to each Unitholder set forth on Section 1.1(a) of the Company Disclosure Schedule that is not a Key Employee, one hundred percent (100%) in Purchaser Units (with the number of such Purchaser Units determined by dividing (x) the Adjustment Per Unitholder Payment or the Leftover Per Unitholder Payment (as applicable) payable to such Unitholder by (y) the Reference Price), the receipt of which shall be conditioned upon each such Unitholder duly executing and delivering, or causing to be delivered, to Purchaser, each of the Joinders prior to the receipt of such payment and (D) with respect to each Unitholder that is not a Company Employee and not set forth on Section 1.1(a) of the Company Disclosure Schedule, a percentage equal to the Estimated Non-Employee Cash Percentage in cash and a percentage equal to the Estimated Non-Employee Equity Percentage in Parent Class A Shares (with the number of such Parent Class A Shares determined by dividing (x) a percentage equal to the Estimated Non-Employee Equity Percentage of the Adjustment Per Unitholder Payment or the Leftover Per Unitholder Payment (as applicable) by (y) the Reference Price).

(v) If at any time between the date of this Agreement and the Effective Time the outstanding Parent Class A Shares or Purchaser Units shall have been increased, decreased, changed into or exchanged for a different number or kind of shares units or other securities as a result of a subdivision, reorganization, recapitalization, reclassification, stock dividend, stock split, reverse stock split, combination or other similar change in capitalization, the definition of Reference Price shall be equitably adjusted to reflect such change; provided, that nothing in this Section 3.2(a)(v) shall be construed to permit Purchaser to take any action with respect to its securities that is prohibited by the terms of this Agreement.

(vi) Notwithstanding anything to the contrary contained herein, no certificates or evidence of book-entry shares or limited partnership units, as the case may be, representing fractional Parent Class A Shares or Purchaser Units shall be issued in exchange for Units, no dividend or distribution with respect to Parent Class A Shares or Purchaser Units shall be payable on or with respect to any fractional share or unit, and such fractional share or unit interests shall not entitle the owner thereof to vote or to any other rights of a shareholder of Purchaser. In lieu of the issuance of any such fractional share or unit, Purchaser shall pay to each Unitholder, an amount in cash (rounded up to the nearest cent) determined by multiplying (A) the Reference Price by (B) the fraction of a Parent Class A Share or Purchaser Unit (rounded to the nearest thousandth when expressed in decimal form), as the case may be, which such Unitholder would otherwise be entitled to receive pursuant to this Section 3.2.

(vii) All limited liability company interests in Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into all of the limited liability company interests in the Surviving Entity and Purchaser shall be admitted as the sole member of the Surviving Entity.

(viii) If at any time the issuance of Parent Class A Shares or Purchaser Units to Unitholders would be in violation of the Securities Act or applicable state securities laws, Parent may, at its option, in lieu of such issuance, instead pay an amount in cash by wire transfer of immediately available funds equal to the value of the number of Parent Class A Shares or Purchaser Units such Unitholder would be entitled to receive as consideration as described in Section 3.2(a)(ii) (at a price per Parent Class A Share or Purchaser Unit equal to the Reference Price), which shall be payable, in each case, at the times provided for herein.

(b) At the Closing, Purchaser shall:

(i) deposit by wire transfer of immediately available funds with the Paying Agent (as defined below), to such account or accounts of the Paying Agent as the Paying Agent shall designate in writing to Purchaser not less than two (2) Business Days prior to the Closing Date:

(1) for the benefit of the Unitholders, an amount in cash equal to the Estimated Aggregate Cash Amount;

(2) for the benefit of the Unitholders, an amount in cash equal to the amount payable to the Unitholders at the Closing in lieu of fractional shares or units pursuant to Section 3.2(a)(vi) ;

(ii) for the benefit of the Unitholders, issue and deposit with the Paying Agent, for delivery to each such Unitholder certificates or evidence of book-entry shares or limited partnership units, as the case may be, representing whole Parent Class A Shares or Purchaser Units issuable pursuant to Section 3.2(a)(ii)(A);

(iii) deposit by wire transfer of immediately available funds, an amount in cash equal to the Escrow Amount with the Escrow Agent, to be held in the Escrow Account (the "**Escrow**") pursuant to the terms of the Escrow Agreement;

(iv) pay an amount in cash equal to one million dollars ($1,000,000) (the "**Securityholder Representative Funds**"), which shall be used to pay Securityholder Representative Expenses, by wire transfer of immediately available funds to such account as the Securityholder Representative shall designate in writing to Purchaser not less than two (2) Business Days prior to the Closing Date (the "**Securityholder Representative Account**");

(v) pay, or cause to be paid, on behalf of the Company, the Transaction Expenses by wire transfer of immediately available funds in accordance with wire transfer instructions provided to Purchaser by the Company at least two (2) Business Days prior to the Closing Date; provided, that in the case of the Split Fees, Purchaser shall pay, or cause to be paid, on behalf of the Company, all Split Fees (rather than fifty percent (50%) of such amounts);

(vi) repay, or cause to be repaid, on behalf of the Company, the Closing Indebtedness by wire transfer of immediately available funds in accordance with wire transfer instructions set forth in customary payoff letters provided to Purchaser by the Company at least two (2) Business Days prior to the Closing Date;

(vii) deliver to the Company and the Securityholder Representative duly executed counterparts to each of the Transaction Agreements (other than this Agreement and any other Transaction Agreement executed and delivered prior to the Closing) to which Parent, Purchaser or any of their Affiliates (including Merger Sub) is a party; and

(viii) deliver to the Company and the Securityholder Representative the certificate referred to in Section 7.3(c).

(c) At the Closing, the Company and the Securityholder Representative shall:

(i) deliver, or cause to be delivered, to Purchaser duly executed counterparts to each of the Transaction Agreements (other than this Agreement and any other Transaction Agreement executed and delivered prior to the Closing) to which the Company or the Securityholder Representative is a party;

(ii) deliver, or cause to be delivered, to Purchaser the certificate referred to in Section 7.2(c); and

(iii) deliver, or cause to be delivered, to Purchaser the certificate referred to in Section 7.2(d).

Section 3.3 **Paying Agent**. Continental Stock Transfer & Trust Company shall act, at Purchaser's expense, as paying agent (the "**Paying Agent**") in effecting the exchanges provided for herein pursuant to a Paying Agent Agreement substantially in the form attached hereto as Exhibit D with such changes therein as are required by the Paying Agent (the "**Paying Agent Agreement** "). Each Unitholder shall receive from Purchaser, the Paying Agent or the Escrow Agent, as applicable, in exchange for each Unit such Unitholder holds, (i) on the Closing Date and in accordance with the allocation pursuant to Section 3.2(a)(ii)(A), (A) certificates or evidence of book-entry shares or limited partnership units, as the case may be, representing such number of whole Parent Class A Shares or Purchaser Units to which such Unitholder is entitled pursuant to Section 3.2(a)(ii)(A) as set forth in the Merger Payment Schedule (which may be Restricted Shares or Restricted Units as set forth in Section 3.2(a)(iii)), (B) by wire transfer of immediately available funds to the account set forth in such Unitholder's Letter of Transmittal, (1) the amount of cash to which such Unitholder is entitled pursuant to Section 3.2(a)(ii)(A), as set forth in the Merger Payment Schedule, and (2) any cash in lieu of fractional shares which such Unitholder has the right to receive pursuant to Section 3.2(a)(vi), (ii) following the final determination of the Final Closing Consideration Pursuant to Section 3.4(f), the cash or Parent Class A Shares or Purchaser Units (which may be Restricted Shares or Restricted Units as set forth in Section 3.2(a)(iv)), if any, to which such Unitholder is entitled pursuant to Section 3.2(a)(ii)(B), and (iii) following the determination of any Leftover Amount, the cash or Parent Class A Shares or Purchaser Units (which may be Restricted Shares or Restricted Units as set forth in Section 3.2(a)(iv)), if any, to which such Unitholder is entitled pursuant to Section 3.2(a)(ii)(C).

Section 3.4 **Purchase Price Adjustment**.

(a) At least four (4) Business Days prior to the Closing Date, the Company shall deliver to Purchaser a statement (the "**Estimated Closing Statement**") setting forth the Company 's good faith calculation of (i) the estimated amount of Working Capital, as of the Adjustment Time (the "**Estimated Working Capital Amount**"), (ii) the estimated amount of Closing Indebtedness (the "**Estimated Closing Indebtedness**"), (iii) the estimated amount of Closing Cash, as of the Adjustment Time (the "**Estimated Cash**") and (iv) the estimated amount of Transaction Expenses (the "**Estimated Transaction Expenses**"), in each case based on the Company's books and records and other information available at the time. From the Adjustment Time to the Effective Time, the Company shall not take any actions that would result in any changes to the Estimated Closing Statement other than as expressly required by applicable Law or this Agreement.

(b) Within ninety (90) days after the Closing Date, Purchaser shall deliver to the Securityholder Representative a statement (the "**Closing Statement**") setting forth Purchaser's good faith calculation of the amount, as of the Adjustment Time, of Working Capital and Closing Cash, and the amount of Closing Indebtedness, in each case with reasonable supporting detail of each of the calculations set forth in the Closing Statement.

(c) During the thirty (30) days immediately following the Securityholder Representative's receipt of the Closing Statement (the "**Review Period**"), the Securityholder Representative and its Representatives shall be permitted to review the books and records of the Surviving Entity and its Subsidiaries and the working papers of Purchaser, the Surviving Entity and their independent accountants, if any, relating to the preparation of the Closing Statement and the calculation of the Working Capital, Closing Cash, Closing Indebtedness and Transaction Expenses therein, and shall be provided with reasonable access, during normal business hours and in a manner so as not to interfere with the normal business operations of Purchaser or the Surviving Entity, to the current and former personnel and advisors of Purchaser and the Surviving Entity who were involved in the preparation of the Closing Statement in order to ask questions and receive answers related to the Closing Statement and the preparation thereof; provided, however, that the independent accountants of Purchaser or the Surviving Entity shall not be obligated to make any working papers available to the Securityholder Representative unless and until the Securityholder Representative has signed a customary confidentiality and hold harmless agreement relating to such access to working papers in form and substance reasonably acceptable to such independent accountants. Purchaser shall not, and shall cause the Surviving Entity and its Subsidiaries not to, take any action to limit the Securityholder Representative's reasonable access to the books and records of, and the current and former personnel and advisors of, Purchaser, the Surviving Entity and their Subsidiaries. The Securityholder Representative shall notify Purchaser in writing (the "**Notice of Disagreement**") prior to the expiration of the Review Period if the Securityholder Representative disagrees with the Closing Statement or the Working Capital, Closing Cash and Closing Indebtedness set forth therein. The Notice of Disagreement shall set forth in reasonable detail the basis for such disagreement, the amounts involved and the Securityholder Representative's determination of the amount, as of the Adjustment Time, of the Working Capital and Closing Cash, and the amount of Closing Indebtedness, in each case with reasonably detailed supporting documentation.

(d) During the thirty (30) days immediately following the delivery of a Notice of Disagreement, the Securityholder Representative and Purchaser shall seek in good faith to resolve any disagreement that they may have with respect to the matters specified in the Notice of Disagreement. If no Notice of Disagreement is received by Purchaser on or prior to the expiration date of the Review Period, then the Closing Statement and the Working Capital, Closing Cash and Closing Indebtedness set forth in the Closing Statement shall be deemed to have been accepted by the Securityholder Representative and shall become final and binding upon Purchaser and the Unitholders. If the parties cannot agree on the Working Capital, Closing Cash and Closing Indebtedness within such thirty (30) day period, the Working Capital, Closing Cash and/or Closing Indebtedness, in each case solely to the extent not agreed between the Securityholder Representative and Purchaser, shall be determined by PricewaterhouseCoopers (the "**Independent Accountant**"). The Securityholder Representative and Purchaser shall each enter into a customary engagement letter with the Independent Accountant. The Securityholder Representative and Purchaser shall furnish the Independent Accountant with a statement setting forth the items from the Notice of Disagreement which are still in dispute (the "**Independent Accountant Dispute Notice**"). In the event that PricewaterhouseCoopers refuses or is otherwise unable to act as the Independent Accountant, the Securityholder Representative and Purchaser shall cooperate in good faith to appoint an independent certified public accounting firm in the United States of national recognition mutually agreeable to the Securityholder Representative

and Purchaser, in which event "Independent Accountant" shall mean such firm. Within thirty (30) days after the submission of such matters to the Independent Accountant, or as soon as practicable thereafter, the Independent Accountant, acting as an expert and not as an arbitrator, will, applying those policies and procedures set forth on Annex A, based on information known or knowable as of the Closing Date, and otherwise in a manner consistent with the basis upon which the Sample Calculations were made, make a determination in writing of the appropriate amount of each of the line items in the Closing Statement as to which there is disagreement as specified in the Independent Accountant Dispute Notice, which determination shall be final, conclusive and binding on the Securityholder Representative, the Surviving Entity and Purchaser, absent fraud, bad faith or manifest error. With respect to each disputed line item, such determination, if not in accordance with the position of either the Securityholder Representative or Purchaser, shall not be in excess of the higher, nor less than the lower, of the amounts advocated by the Securityholder Representative or Purchaser in the Independent Accountant Dispute Notice with respect to such disputed line item (and Purchaser shall not advocate any positions more adverse to the Unitholders than the amounts reflected in the Closing Statement). For the avoidance of doubt, the Independent Accountant shall not review any line items or make any determination with respect to any matter other than those matters in the Independent Accountant Dispute Notice that are in dispute. The statement of the amount, as of the Adjustment Time, of Working Capital, Closing Cash, Closing Indebtedness and Transaction Expenses, and the determination of the Working Capital, Closing Cash, Closing Indebtedness and Transaction Expenses therefrom that are final and binding on the Securityholder Representative and Purchaser, as determined either through agreement by the Securityholder Representative and Purchaser (deemed or otherwise) or through the determination of the Independent Accountant pursuant to this Section 3.4(d) is referred to herein as the "**Final Working Capital Amount**", "**Final Closing Cash**", "**Final Closing Indebtedness**" and "**Final Transaction Expenses**", respectively, and the Estimated Closing Consideration, Estimated Aggregate Cash Amount, and Estimated Aggregate Equity Amount derived therefrom are referred to herein as the "**Final Closing Consideration**", "**Final Aggregate Cash Amount**" and "**Final Aggregate Equity Amount**", respectively. During the review by the Independent Accountant, (i) neither Purchaser or the Securityholder Representative or any of their respective Affiliates or representatives shall have any ex parte communications or meetings with the Independent Accountant and (ii) the Securityholder Representative and Purchaser shall each make reasonably available to the Independent Accountant such individuals and such information, books, records and work papers, as may be reasonably required by the Independent Accountant to fulfill its obligations under this Section 3.4(d); provided, however, that the independent accountants of the Securityholder Representative or Purchaser shall not be obligated to make any working papers available to the Independent Accountant unless and until the Independent Accountant has signed a customary confidentiality and hold harmless agreement relating to such access to working papers in form and substance reasonably acceptable to such independent accountants.

(e) The cost of the Independent Accountant's review and determination shall be borne on a proportionate basis by Purchaser, on the one hand, and the Unitholders, on the other (whose share shall be paid on their behalf by the Securityholder Representative from the Securityholder Representative Funds), based on the percentage which the portion of the contested amount not awarded in favor of each such Person bears to the amount actually contested by such Person. By way of illustration, if Purchaser's calculations would have resulted

in a $1,000,000 net payment to Purchaser, and the Securityholder Representative's calculations would have resulted in a $1,000,000 net payment to the Unitholders, and the Independent Accountant's final determination as adopted pursuant to Section 3.4(d) results in an aggregate net payment of $500,000 to the Unitholders, then Purchaser, on the one hand, and the Unitholders (whose share shall be paid on their behalf by the Securityholder Representative from the Escrow), on the other, shall pay 75% and 25%, respectively, of such fees and expenses.

(f) The "**Final Closing Consideration**" shall be calculated by recalculating the Estimated Closing Consideration using the Final Working Capital Amount in lieu of the Estimated Working Capital Amount, using Final Closing Cash in lieu of Estimated Cash, using Final Closing Indebtedness in lieu of Estimated Closing Indebtedness, using Final Transaction Expenses in lieu of Estimated Transaction Expenses, using Final Closing Consideration in lieu of Estimated Closing Consideration, using Final Aggregate Cash Amount in lieu of Estimated Aggregate Cash Amount, and using Final Aggregate Equity Amount in lieu of Estimated Aggregate Equity Amount, and otherwise using the components of Estimated Closing Consideration as set forth in the definition of Estimated Closing Consideration. If the Final Closing Consideration is less than the Estimated Closing Consideration paid at the Closing (such amount, the "**Deficiency Amount**"), Purchaser shall be paid and have deposited promptly (but in any event within five (5) Business Days after the Final Working Capital Amount, Final Closing Cash, Final Closing Indebtedness and Final Transaction Expenses have been agreed upon or determined by the Independent Accountant), by wire transfer from the Escrow Account, an amount in cash equal to the Deficiency Amount; provided, however, in no event shall any Unitholder have personal liability for payment of such amount or any portion thereof, and Purchaser's sole recourse with respect thereto shall be the Escrow held by the Escrow Agent. If the Final Closing Consideration is greater than the Estimated Closing Consideration paid at the Closing (such amount, the "**Excess Amount**"), Purchaser shall promptly (but in any event within five (5) Business Days after the Final Working Capital Amount, Final Closing Cash, Final Closing Indebtedness and Final Transaction Expenses have been agreed upon or determined by the Independent Accountant) pay and deliver, or cause to be paid and delivered, to and deposit with the Paying Agent, on behalf of and as agent of the Unitholders, an amount equal to the Excess Amount, which, together with any Remaining Amount, shall be payable in the form of consideration specified with respect to each Unitholder in Section 3.2(a)(iv). If any Escrow remains in the Escrow Account after the payment of the Deficiency Amount or Excess Amount, as the case may be (which shall be the entirety of the Escrow in the case of a payment of the Excess Amount) (such amount, the "**Remaining Amount**"), then (a) the portion of the Remaining Amount payable to Unitholders in cash in accordance with Section 3.2(a)(iv) shall be released to the Paying Agent (on behalf of and as agent for the Unitholders) by wire transfer from the Escrow Account, and (b) Purchaser shall, for the benefit of the Unitholders, issue and deposit with the Paying Agent, for delivery to each such Unitholder certificates or evidence of book-entry shares or limited partnership units, as the case may be, representing whole Parent Class A Shares or Purchaser Units issuable pursuant to Section 3.2(a)(ii)(A) and in accordance with Section 3.2(a)(iv), and upon deposit thereof, Purchaser shall be entitled to return of an amount of cash equal to the value of the securities so deposited (as determined in accordance with Section 3.2(a)(iii)). Purchaser and the Securityholder Representative hereby agree to deliver joint written instructions to the Escrow Agent (i) within (5) Business Days after the Final Working Capital Amount, Final Closing Cash, Final Closing Indebtedness and Final Transaction Expenses have been agreed upon or determined by the Independent Accountant to deliver

promptly from the Escrow Account all funds to be delivered in accordance with this Section 3.4(f) and (ii) within five (5) Business Days after Purchaser shall have made the issuance and deposit with the Paying Agent referred to in clause (b) above, to deliver promptly from the Escrow Account to Purchaser an amount in cash equal to the value (as determined pursuant to Section 3.2(a)(iii)) of the securities so deposited by Purchaser.

(g) Each of the Estimated Closing Statement (including the Estimated Working Capital Amount, Estimated Cash, Estimated Closing Indebtedness and Estimated Transaction Expenses) and the Closing Statement (including the Final Working Capital, Final Closing Cash, Final Closing Indebtedness and Final Transaction Expenses) shall be prepared and calculated in accordance with the definitions of such terms contained in the Agreement and Annex A and , except that the Estimated Closing Statement and the Closing Statement (and all calculations set forth in each) shall: (i) not include any purchase accounting or other adjustment arising out of the consummation of the Transactions, (ii) be based on facts and circumstances as they exist up to the Closing (or at the Adjustment Time, as applicable) and shall exclude the effect of any act, decision or event occurring after the Closing; (iii) include the same line items (and only those line items) set forth in the Sample Calculations; and (iv) utilize those policies and procedures set forth on Annex A.

Section 3.5 **Escrow**. At the Closing, Purchaser shall, on behalf of the Unitholders, deliver to Citibank, N.A. (the "**Escrow Agent**"), as agent to Purchaser and the Unitholders, the Escrow in accordance with the provisions of Section 3.2(b)(i)(2), which Escrow shall be held by the Escrow Agent in an escrow account (the "**Escrow Account**") in accordance with the Escrow Agreement and used for the purposes of any payments payable to Purchaser or the Unitholders pursuant to Section 3.4.

Section 3.6 **Securityholder Representative Account**. If any Securityholder Representative Funds remain in the Securityholder Representative Account after payment of all Securityholder Representative Expenses (such amount, the "**Leftover Amount**"), which shall be payable in the form of consideration specified with respect to each Unitholder in Section 3.2(a)(iv), (a) then the portion of the Leftover Amount payable to Unitholders in cash in accordance with Section 3.2(a)(iv) shall be released to the Paying Agent (on behalf of and as agent for the Unitholders) by wire transfer from the Securityholder Representative Account, and (b) Purchaser shall, for the benefit of the Unitholders, issue and deposit with the Paying Agent, for delivery to each such Unitholder certificates or evidence of book-entry shares or limited partnership units, as the case may be, representing whole Parent Class A Shares or Purchaser Units issuable pursuant to Section 3.2(a)(ii)(C) and in accordance with Section 3.2(a)(iv), and upon deposit thereof, Purchaser shall be entitled to return of an amount of cash equal to the value of the securities so deposited (as determined in accordance with Section 3.2(a)(iii)). Securityholder Representative hereby agrees that after Purchaser shall have made the issuance and deposit referred to in clause (b) above, it shall promptly release and deliver to Purchaser an amount in cash equal to the value (as determined pursuant to Section 3.2(a)(iii)) of the securities so deposited by Purchaser.

Section 3.7 **Closing of the Company Transfer Books**. At the Effective Time, the unit transfer books of the Company shall be closed and no transfer of Units shall thereafter be made.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth on the Company Disclosure Schedule, the Company hereby represents and warrants to Purchaser and Merger Sub as follows:

Section 4.1 **Status** . Each of the Company and its Subsidiaries is duly formed or organized and validly existing under the Laws of its governing jurisdiction and each (a) has all requisite corporate, limited liability company or partnership power and authority to own, lease and operate its properties, rights and assets and to carry on its business as it is now being conducted, except where the failure to be in good standing or to have such requisite corporate, limited liability company or partnership power and authority would not constitute a Company Material Adverse Effect, and (b) is duly qualified or licensed to do business and is in good standing in each of the jurisdictions in which the ownership, operation or leasing of its properties, rights and assets and the conduct of its business requires it to be so qualified or licensed, except where the failure to have such power and authority or to be so qualified or licensed and in good standing would not reasonably be expected to have a Company Material Adverse Effect. The Company has made available true, complete and correct copies of its and its Subsidiaries' organizational documents, in each case as amended and in effect as of the date of this Agreement. The Company and each of its Subsidiaries is not in violation of any provision of its respective organizational documents.

Section 4.2 **Authorization; Enforceability**.

(a) The Company has all requisite power and authority to execute and deliver this Agreement and the other Transaction Agreements, to perform its obligations hereunder and to consummate the Transactions. The execution and delivery of this Agreement and the other Transaction Agreements by the Company and the consummation by the Company of the Transactions have been duly and validly authorized by the board of managers of the Company and no other limited liability company proceedings are necessary for the Company to authorize this Agreement or the other Transaction Agreements or to consummate the Transactions, subject to filing the Certificate of Merger with the Secretary of State of the State of Delaware. This Agreement has been and the other Transaction Agreements will be duly executed and delivered by the Company, and (assuming the due and valid authorization, execution and delivery by the other parties hereto) this Agreement constitutes and each of the other Transaction Agreements will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar Laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) The board of managers of the Company has determined that the Transactions (including the Merger) are fair to, and in the best interests of, the Company and the Unitholders. Neither the execution, delivery or performance of the Transactions by the Company, nor the consummation by the Company of the Transactions, will require any other permit, authorization, consent or approval from any Unitholder other than those that have been granted or made prior to the execution of this Agreement.

(c) In accordance with the LLC Agreement, the Preferred Unitholders have informed the Company in writing that they do not intend to convert any of the Preferred Units to Class E Units prior to the consummation of the Transaction.

Section 4.3 **No Conflict**. Assuming all Governmental Filings and waiting periods described in or contemplated by Section 4.4 have been obtained or made, or have expired, the execution and delivery of this Agreement and the other Transaction Agreements by the Company and the consummation by the Company of the Transactions will not (a) violate any applicable Law to which the Company or its Subsidiaries are subject, (b) whether with or without notice, lapse of time or both, conflict with, result in a violation or breach of, or constitute a default under, result in the acceleration, termination or cancellation of or create in any party the right to receive notice under, accelerate, terminate or cancel any Company Contract or result in the creation of any liens on any assets of the Company or its Subsidiaries or (c) violate the certificate of limited partnership, certificate of formation, LLC Agreement or other organizational documents of the Company or its Subsidiaries, other than, in the case of clauses (a) and (b) above, any such violations, defaults, conflicts, breaches, accelerations, terminations, cancellations or rights that would not reasonably be expected to have a Company Material Adverse Effect.

Section 4.4 **Governmental Filings**. No filings or registrations with, notifications to, or authorizations, consents, waivers or approvals of, a Governmental Entity (collectively, "**Governmental Filings** ") are required to be obtained or made by the Company or its Subsidiaries in connection with the execution and delivery of this Agreement by the Company or the consummation by the Company of the Transactions, except (a) compliance with and filings under the HSR Act, (b) the filing of the Certificate of Merger or other documents as required by the DLLCA and (c) such other Governmental Filings, the failure of which to be obtained or made would not reasonably be expected to have a Company Material Adverse Effect.

Section 4.5 **Capital Structure**.

(a) As of the date hereof, the Company has (i) 10,770 Class A Units issued and outstanding, (ii) 23,675 Class B Units issued and outstanding, (iii) 5,039 Class C Units issued and outstanding, (iv) 11,348 Class D Units issued and outstanding, (v) zero Class E Units issued and outstanding and (vi) 46,017 Preferred Units issued and outstanding. A true and complete list, as of the date hereof, of the record holders of all equity interests of the Company and the amount and class of such equity interest such holders own, in each case as of the date hereof, is set forth on Section 4.5(a) of the Company Disclosure Schedule.

(b) The Units are duly authorized, validly issued, fully paid and nonassessable, were not and will not be issued in violation of any preemptive or similar right, purchase option, call or right of first refusal or similar rights, and are free and clear of Encumbrances. Section 4.5(b) of the Company Disclosure Schedule sets forth any (i) outstanding obligations, options, phantom equity interests, warrants, convertible securities or other rights, agreements or commitments relating to the equity interests of the Company or obligating the Company to issue or sell or otherwise transfer equity interests of the Company, (ii) outstanding obligations of the Company to repurchase, redeem or otherwise acquire equity interests of the Company or to make any investment (in the form of a loan, capital contribution

or otherwise) in any other Person or (iii) voting trusts, equity holder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of the equity interests of the Company. There are fewer than thirty-five (35) Unitholders and no Unitholder has any "tag-along" or similar rights with respect to the Units that could be exercised in connection with the Transactions.

(c) Section 4.5(c) of the Company Disclosure Schedule sets forth, as of the date hereof, a list of all Subsidiaries of the Company, including its name, its jurisdiction of incorporation or organization, its authorized and outstanding capital stock (or other equity interests) and the percentage of its outstanding capital stock (or other equity interests) owned by the Company or a Subsidiary of the Company (as applicable). The shares of outstanding capital stock (or other equity interests) of the Subsidiaries of the Company are duly authorized, validly issued, fully paid and nonassessable and have not been issued in violation of any preemptive or similar rights, and are held of record by the Company or a Subsidiary of the Company (as applicable), free and clear of Encumbrances. There are no (i) outstanding obligations, options, warrants, convertible securities or other rights, agreements or commitments relating to the capital stock (or other equity interests) of the Subsidiaries of the Company or obligating the Company or its Subsidiaries to issue or sell or otherwise transfer shares of the capital stock (or other equity interests) of the Subsidiaries of the Company, (ii) outstanding obligations of the Subsidiaries of the Company to repurchase, redeem or otherwise acquire shares of their respective capital stock (or other equity interests) or to make any investment (in the form of a loan, capital contribution or otherwise) in any other Person or (iii) voting trusts, stockholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of shares of capital stock (or other equity interests) of the Subsidiaries of the Company.

(d) Other than the Subsidiaries of the Company, there are no Persons in which any of the Company or its Subsidiaries owns any equity interest.

Section 4.6 Financial Statements.

(a) The Company has previously provided Purchaser with (i) the audited balance sheets of the Company and its Subsidiaries for its fiscal years ending on December 31, 2017, 2016 and 2015 and the related statements of operations and members' deficit and statements of cash flow for each year (the "**Audited Financial Statements**") and (ii) an unaudited balance sheet of the Company and its Subsidiaries for the six (6) month period ending on June 30, 2018 (the "**Latest Balance Sheet**" and the date thereof, the "**Latest Balance Sheet Date**") and related statements of operations and members' deficit and statements of cash flow for the six (6) month period then ended (the "**Unaudited Financial Statements**", and together with the Audited Financial Statements, the "**Financial Statements**").

(b) In each case, (i) the Financial Statements have been prepared in accordance with GAAP (subject, in the case of the Unaudited Financial Statements, to the absence of full footnote disclosures and schedules and normal year-end audit adjustments), and (ii) the Financial Statements present fairly in all material respects, as of their respective dates and for the periods set forth therein, the financial condition, operating results and cash flows of the Company and its Subsidiaries.

(c) Since January 1, 2015, (i) neither the Company nor any of its Subsidiaries, nor, to the Knowledge of the Company, any director, officer, employee, auditor or accountant of the Company or any of its Subsidiaries, has received any written material complaint, allegation, assertion or claim regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of the Company or any of its Subsidiaries or their respective internal accounting controls, including any written material complaint, allegation, assertion or claim that the accounting or auditing practices of the Company or any of its Subsidiaries are improper in any material respect, and (ii) no attorney representing the Company or any of its Subsidiaries, whether or not employed by the Company or any of its Subsidiaries, has, to the Knowledge of the Company, reported evidence of a material violation of securities Laws, material breach of fiduciary duty or similar material violation by the Company or any of its Subsidiaries or their respective officers, directors or employees to the board of managers of the Company or any committee thereof or any director or officer of the Company.

Section 4.7 **Undisclosed Liabilities** . Neither the Company nor any of its Subsidiaries has any liabilities of any kind that would have been required to be reflected in, reserved against or otherwise described on the face of a balance sheet in accordance with GAAP other than (i) those reflected on the Financial Statements, (ii) liabilities incurred in the ordinary course of business after the Latest Balance Sheet Date, (iii) liabilities incurred in connection with the Transactions or (iv) liabilities which would not reasonably be expected to be material to the Company and its Subsidiaries, taken as a whole.

Section 4.8 **Absence of Certain Changes or Events**. (a) From the Latest Balance Sheet Date to the date of this Agreement (i) except in connection with the Transactions, the Company and its Subsidiaries have conducted their businesses in the ordinary course consistent with past practice in all material respects and (ii) none of the Company and its Subsidiaries has taken any action which, if taken after the date hereof, would have required the prior consent of Purchaser pursuant Section 6.1 hereof, and (b) since the Latest Balance Sheet Date, there has not been a Company Material Adverse Effect.

Section 4.9 **Legal Proceedings**.

(a) Except as is not materially adverse to the Company and its Subsidiaries, taken as a whole neither the Company nor any of its Subsidiaries is a party to any, and there are no pending or, to the Knowledge of the Company, threatened, Actions of any nature against the Company or any of its Subsidiaries or any of their current or former directors, managers or executive officers or, as of the date of this Agreement, challenging the validity or propriety of the Transactions.

(b) Except as is not materially adverse to the Company and its Subsidiaries, in each case, taken as a whole, (i) none of the Company or its Subsidiaries is subject to a Governmental Order, and (ii) neither the Company nor any of its Subsidiaries is in breach or violation of any Governmental Order.

Section 4.10 Compliance with Applicable Laws.

(a) The Company and its Subsidiaries hold, and have held at all times since January 1, 2015, all licenses, franchises, permits and authorizations of Governmental Entities (collectively, "**Permits**") necessary for the lawful conduct of their businesses and ownership of their properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such Permit (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be expected to be material to the Company and its Subsidiaries taken as a whole, and, to the Knowledge of the Company, no suspension or cancellation of any such necessary Permit is threatened.

(b) The Company and its Subsidiaries have since January 1, 2015, (i) complied with and are not in default or violation under any applicable Law or policy and/or guideline of any Governmental Entity relating to each of the Company and its Subsidiaries, including (to the extent applicable to the Company and its Subsidiaries) all Laws related to data protection or privacy, the USA PATRIOT Act, the Foreign Corrupt Practices Act, and the Sarbanes-Oxley Act, (ii) been conducting operations at all times in compliance in all material respects with Anti-Money Laundering Laws and (iii) established and maintained a system of internal controls designed to provide compliance by the Company and its Subsidiaries with applicable financial recordkeeping and reporting requirements of the Anti-Money Laundering Laws, except where, in the case of clauses (i), (ii) or (iii), the failure to comply would not reasonably be expected to have, either individually or in the aggregate, a Company Material Adverse Effect.

Section 4.11 Tax Matters.

(a) The Company and each of its Subsidiaries have filed all income and other material Tax Returns required to be filed by it. The Company and each of its Subsidiaries have paid or caused to be paid all Taxes shown thereon as due and owing.

(b) Neither the Company nor any of its Subsidiaries has consented to extend the time in which any Tax may be assessed or collected by any taxing authority, which extension remains in effect.

(c) Neither the Company nor any of its Subsidiaries has requested or been granted an extension of the time for filing any Tax Return to a date later than the Closing Date, which extension is currently in effect.

(d) No written claim has ever been made by a Tax authority in a jurisdiction where the Company or one of its Subsidiaries does not file Tax Returns that the Company or the applicable Subsidiary is or may be subject to taxation by that jurisdiction.

(e) No dispute, audit, investigation, proceeding or claim concerning any Tax liability of the Company or its Subsidiaries is currently pending with a Governmental Entity.

(f) Neither the Company nor any of its Subsidiaries is a party to or bound by any Tax allocation, Tax sharing or Tax indemnity Contract (other than any Contract solely among the Company and its Subsidiaries or any Contract that is not primarily related to Taxes).

(g) There are no Encumbrances for Taxes on the assets or properties of the Company or any of its Subsidiaries (other than Permitted Encumbrances).

(h) The Company and each Subsidiary has withheld or collected all material Taxes required by Law to have been withheld or collected and, to the extent required, paid over such Taxes to the appropriate Governmental Entities.

(i) Neither the Company nor any of its Subsidiaries is, or has ever been, a party to, or otherwise participated in, a "listed transaction" within the meaning of Treasury Regulation Section 1.6011-4(b).

(j) The Company is treated as a partnership for U.S. federal income Tax purposes and has since its formation been treated as either a partnership or disregarded entity for U.S. federal income tax purposes. Each of the Company's Subsidiaries is treated as an entity disregarded from its owner for U.S. federal Tax purposes and has since its formation been treated as either a partnership or disregarded entity for U.S. federal income Tax purposes. As of the date hereof, neither the Company nor any of its Subsidiaries has made (i) an entity classification election pursuant to Treasury Regulation Section 301.7701-3(c) to be classified as an association taxable as a corporation or (ii) an election under Section 1101(g)(4) of the Bipartisan Budget Act of 2015 pursuant to Treasury Regulation Section 301.9100-22.

(k) The Class B Units, Class C Units and Class D Units are "profits interests" for U.S. federal income Tax purposes, with no liquidation value at the time such Units were granted, and the Company has not taken any action, including any inconsistent tax reporting position, that is inconsistent with such treatment. Each holder of Class B Units, Class C Units and Class D Units (a) has filed a valid and timely election under Section 83(b) with respect to each grant of such Units, (b) has been issued a Schedule K-1 for any period that such holder held such Units if a Schedule K-1 has been provided to other partners for the applicable tax periods, (c) has been allocated a share of partnership income with respect to such vested and unvested Units, if such holder would have been allocated such items of income pursuant to the partnership agreement, determined without taking into account any vesting requirements, (d) has not received any compensation payments that were subject to payroll taxes or income tax withholding and (e) has held such Units for at least two (2) years prior to the date hereof, in each case except as set forth on Section 4.11(k) of the Company Disclosure Schedule.

(l) Notwithstanding anything in this Agreement to the contrary, the representations and warranties set forth in this Section 4.11 and Section 4.12 (to the extent related to Tax matters) represent the sole and exclusive representations and warranties of the Company with respect to Tax matters.

Section 4.12 Employee Benefit Plans.

(a) Section 4.12(a) of the Company Disclosure Schedule contains a correct and complete list of all material Company Benefit Plans and material Company Benefit Arrangements. The Company has made available to Purchaser complete and correct copies of the following documents with respect to each material Company Benefit Plan and material Company Benefit Arrangement, to the extent applicable: (i) all plan documents, and written descriptions of all material non-written agreements relating to any such plan or arrangement; (ii) the most recent Form 5500, including all schedules thereto, annual report, financial statements and any related actuarial reports; (iii) the most recent summary plan description and summaries of material modifications thereto; (iv) all material notices or other communications received from the IRS, Department of Labor, or any other Governmental Entity on or after January 1, 2016; and (v) employee manuals or handbooks containing personnel or employee relations policies.

(b) Each Qualified Plan has received a favorable determination letter, or is the subject of a favorable advisory or opinion letter as to its qualification, issued by the IRS to the effect that such plan is qualified and the trust related thereto is exempt from federal income taxes under Sections 401(a) and 501(a), respectively, of the Code, and, to the Knowledge of the Company, no act or omission in the operation of such plan has occurred that would be reasonably likely to adversely affect its qualified status. Each Company Benefit Plan and each Company Benefit Arrangement has been established, maintained and administered in all material respects in accordance with its terms, and with all applicable Laws, including, without limitation, ERISA and the Code (including without limitations, Section 409A of the Code). With respect to each Company Benefit Plan, to the Knowledge of the Company, (i) no non-exempt transactions prohibited by Code Section 4975 or ERISA Section 406 and (ii) no act or omission has occurred, which in either event would be reasonably likely to result in a material liability to the Company or its Subsidiaries, taken as a whole.

(c) Except as provided on Section 4.12(c) of the Company Disclosure Schedule, neither the Company nor any Subsidiary has, within six (6) years prior to the date of this Agreement, maintained, sponsored or been required to contribute to any Pension Plan or a "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA) or a "multiple employer plan" as defined in Section 413(c) of the Code. There are no current or contingent Liabilities that would reasonably be expected to be imposed upon the Company or any Subsidiary with respect to any Pension Plan maintained by an ERISA Affiliate.

(d) There are no pending or, to the Knowledge of the Company, threatened claims (other than routine benefit claims and proceedings with respect to qualified domestic relations orders) relating to any Company Benefit Plans or Company Benefit Arrangements (including any such claim against any fiduciary of any such Company Benefit Plan or Company Benefit Arrangement). No Company Benefit Plan or Company Benefit Arrangement has received notice of an audit or examination (or potential audit or examination) by any Governmental Entity (including the IRS and the Department of Labor).

(e) No Company Benefit Plan or Company Benefit Arrangement contains any provision or is subject to any Law that, as a result of the Transactions or upon related, concurrent, or subsequent employment termination, would (i) increase, accelerate, require the funding of or vest any compensation or benefit, (ii) require severance, termination or retention payments, (iii) limit the right to merge, amend or terminate such Company Benefit Plan or Company Benefit Arrangement, (iv) forgive any indebtedness, (v) require or provide any payment or compensation that would constitute an "excess parachute payment" under Section 280G of the Code, or (vi) promise or provide any tax gross ups or tax indemnification including under Sections 280G, 4999 or 409A of the Code.

(f) Except as otherwise provided in Section 6.2(d) of this Agreement, none of the Senior Advisors of the Company or any of its Subsidiaries are entitled to receive any payments or benefits from the Company or any of its Subsidiaries on or after the Closing Date, other than pursuant to this Agreement in respect of Units held by such persons.

(g) No Company Benefit Plan or Company Benefit Arrangement provides (i) post-employment life insurance, disability or medical benefits except as required by COBRA or other applicable Laws or (ii) for the deferral of compensation, other than any deferred amounts which are fully funded.

(h) Neither the Company nor any Subsidiary maintains or has maintained any Benefit Plan or Benefit Arrangement covering any current or former employee of the Company or any Subsidiary that is or was subject to the Laws of any jurisdiction outside of the United States.

Section 4.13 Labor Matters.

(a) Neither the Company nor any of its Subsidiaries are the subject of any unfair labor practice charge in connection with the conduct of the business of the Company or any of its Subsidiaries.

(b) No material legal proceeding, claim, charge or complaint against the Company or any of its Subsidiaries is pending or, to the Knowledge of the Company, has been threatened or is reasonably anticipated relating to any labor, wages, hours, overtime, safety or discrimination involving any contractor, or current or former employee of the Company or any of its Subsidiaries.

(c) The Company and each of its Subsidiaries are and have since January 1, 2015 been in material compliance with all applicable Laws relating to the employment of labor, including all such Laws relating to employment discrimination, civil rights, labor relations, safety and health, workers' compensation, unemployment insurance, disability, meal and rest breaks, timekeeping, fair employment practices, payment of wages, hours and overtime, social benefits contributions, severance pay, the Worker Adjustment and Retraining Notification Act of 1988, as amended, and any similar foreign, state or local "mass layoff" or "plant closing" Laws, collective bargaining, collection and payment of tax withholding or social security taxes and any similar tax, leaves of absence, immigration, employee benefits, equal opportunity, classification of employees as exempt and non-exempt, classification of consultants, classification of partners, and affirmative action.

(d) Neither the Company nor any of its Subsidiaries is a party to or bound by any collective bargaining agreement, trade union agreement, works council or employee representative agreement. There have been no labor unions or other organizations representing or, to the Knowledge of the Company, purporting or attempting to represent any employee of the Company or any of its Subsidiaries. To the Knowledge of the Company, since January 1, 2015, no employee of the Company or any of its Subsidiaries has attempted to organize a labor union or other organization to represent any employee of the Company or any of its Subsidiaries. There is no current, pending or, to the Knowledge of the Company, threatened strike, slowdown, picketing, work stoppage, concerted refusal to work overtime or other similar labor activity with respect to any current employee of the Company or any of its Subsidiaries.

(e) Prior to the date hereof, no employee of the Company or any of its Subsidiaries with a title of Principal or higher has given written notice to the Company or any of its Subsidiaries that such employee intends to terminate his or her employment. As of the date hereof, to the Knowledge of the Company, the Company does not have a basis to terminate any employee with a title of Partner or Principal, for Cause.

(f) Since January 1, 2015, no written allegations of sexual harassment or unlawful sexual misconduct have been made to the Company or any of its Subsidiaries against the Chief Executive Officer in his capacity as an employee of the Company or any of its Subsidiaries.

Section 4.14 Company Contracts.

(a) Section 4.14(a) of the Company Disclosure Schedule identifies Contracts in effect as of the date of this Agreement to which any of the Company or its Subsidiaries is a party or by which any of them is otherwise expressly bound, which are in the categories listed below, other than a Company Benefit Plan or Company Benefit Arrangement (collectively, the "**Company Contracts**"):

(i) any limited liability company, partnership, joint venture or other similar agreement or arrangement relating to the formation, creation, operation, management or control of any partnership or joint venture, other than any such limited liability company, partnership or joint venture that is a Subsidiary of the Company;

(ii) any Contract (i) that provides for exclusivity, rights of first refusal, rights of first offer, "most favored nations" or similar rights, in each case, in favor of any third party or (ii) containing a covenant not to compete that materially impairs the ability of the Company or its Subsidiaries to freely conduct their respective businesses in any geographic area;

(iii) any Contract evidencing or guaranteeing indebtedness for borrowed money in excess of $250,000;

(iv) any Contract that commits capital expenditures after the date hereof in an amount in excess of $250,000;

(v) any Contract relating to the future disposition or acquisition of any assets and properties, or any material ownership interest in any other Person (other than the Subsidiaries of the Company), in each case, individually or in the aggregate material to the business of the Company and its Subsidiaries;

(vi) any Contract entered into outside of the ordinary course of business between or among the Company or its Subsidiaries, on the one hand, and any Unitholder, officer, manager, director or Affiliate (other than the Company or any of its Subsidiaries) of a Unitholder, on the other hand;

(vii) any Contract by which either the Company or any of its Subsidiaries grants or is granted any rights to any material Intellectual Property (other than commercially available software licenses or services agreements available on standard terms and non-exclusive licenses granted by the Company or its Subsidiaries in the ordinary course of business) ;

(viii) any other Contract, not otherwise covered by clauses (i) through (vii) of this Section 4.14(a) or Section 4.14(c), that requires payments by any of the Company or its Subsidiaries in excess of $750,000 during the current fiscal year which is not terminable on less than ninety (90) days' notice without penalty and has not been entered into in the ordinary course of business.

(b) Except as would not have a Company Material Adverse Effect, each Company Contract (A) constitutes a valid and binding obligation of the Company or the Subsidiary of the Company, in each case, that is a party thereto and (B) assuming such Company Contract is a valid and binding obligation of and enforceable against the other parties thereto, is enforceable against the Company, or the Subsidiary of the Company, in each case, that is a party thereto, except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity). None of the Company and its Subsidiaries is in breach or default under any Company Contract (and none of the Company and its Subsidiaries has given notice of a material breach or default to any other party thereunder), except, in each case, where such breach or default, would not reasonably be expected to have a Company Material Adverse Effect. To Knowledge of the Company, no facts or circumstances have arisen as of the date of this Agreement that would cause or would reasonably be expected to cause a breach, default or termination of any customer contract.

(c) The Company has made available to Purchaser a schedule (with the name of the customer parties redacted) listing the aggregate annual payments to be received under all Contracts in effect as of the date of this Agreement with the top 25 customers of the Company, based on estimated 2018 revenues.

Section 4.15 **Insurance**. Section 4.15 of the Company Disclosure Schedule contains a correct and complete list of all insurance policies maintained by or on behalf of the Company and its Subsidiaries with respect to their properties and assets. All such insurance policies are in full force and effect (other than any policies that cease to be in full force and effect as a result of expiring in accordance with their terms). All premiums due and payable under all such policies have been paid and the Company or its Subsidiaries, as applicable, is in compliance with the terms and conditions of such policies other than such nonpayment or non-compliance which would not reasonably be expected to have a Company Material Adverse Effect.

Section 4.16 **Title to Assets; Real Property**.

(a) Except as would not reasonably be expected to have a Company Material Adverse Effect, the Company and its Subsidiaries have good and valid title to, or a valid right to use, their personal property, free and clear of all Encumbrances other than Permitted Encumbrances.

(b) The Company and its Subsidiaries do not own any real property.

(c) Section 4.16(c) of the Company Disclosure Schedule sets forth, as of the date of this Agreement, the street address of the properties that are leased and subleased by the Company or any of its Subsidiaries (any such leased or subleased real property, the "**Leased Real Property**," and any such lease or sublease, a "**Company Lease** ") as lessee, sublessee or sublessor. Except as would not reasonably be expected to have a Company Material Adverse Effect, (i) each Company Lease (A) constitutes a valid and binding obligation of the Company or a Subsidiary of the Company party thereto and (B) assuming such Company Lease is a valid and binding obligation of, and enforceable against, the other parties thereto, is enforceable against the Company or the Subsidiary of the Company that is a party thereto, except as limited by bankruptcy, insolvency, reorganization, moratorium or other similar Laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding at law or in equity), (ii) none of the Company or its Subsidiaries is in breach or default under any Company Lease and (iii) the Company or one of its Subsidiaries has valid leasehold estates in all Leased Real Property, free and clear of all Encumbrances other than Permitted Encumbrances.

Section 4.17 **Intellectual Property**.

(a) Section 4.17(a) of the Company Disclosure Schedule sets forth, for Intellectual Property owned by any of the Company and its Subsidiaries, a list of all (i) patents and patent applications, (ii) trademark applications and registrations, (iii) copyright applications and registrations, and (iv) all Internet domain names. All such listed Intellectual Property is subsisting and unexpired, and to the Knowledge of the Company, valid and enforceable.

(b) T he Company and its Subsidiaries are the sole and exclusive owners of all Intellectual Property owned by or purported to be owned by the Company or any of its Subsidiaries ("Owned Intellectual Property") and have valid rights to use all Intellectual Property, other than Owned Intellectual Property, that is used in the business of the Company and its Subsidiaries (collectively, the "Licensed Intellectual Property"), free and clear of all Encumbrances (other than Permitted Encumbrances); provided that the foregoing representation will not be read as a non-infringement representation.

(c) Except as would not have a Company Material Adverse Effect:

(i) To the Knowledge of the Company, the conduct of the business of the Company and its Subsidiaries does not infringe, misappropriate or otherwise violate and has not infringed, misappropriated or otherwise violated any Person's Intellectual Property rights. There are no claims pending or threatened in writing against any of the Company or its Subsidiaries alleging any such infringement, misappropriation or violation. To the Knowledge of the Company no Person is infringing, misappropriating or otherwise violating or has infringed, misappropriated or otherwise violated any Owned Intellectual Property.

(ii) The Company and its Subsidiaries have taken and use commercially reasonable measures to preserve and maintain and protect the confidentiality, integrity and security of the IT Systems they own (and all software, information and data (including Personal Information) stored therein). To the Knowledge of the Company, the IT Systems are adequate for the operation of the business of the Company and its Subsidiaries. As of the date hereof, to the Knowledge of the Company, there has been no data breach, unauthorized access to or unauthorized use of the owned IT Systems (or any software, information or data (including Personal Information) stored therein).

(iii) The Company and its Subsidiaries have taken commercially reasonable steps to maintain and protect the confidentiality of all material Trade Secrets included in the Owned Intellectual Property. No material Trade Secret included in the Owned Intellectual Property has been authorized to be disclosed or, to the Knowledge of the Company, has been actually disclosed to any Person other than pursuant to a written confidentiality contract restricting the disclosure and use thereof.

(iv) The Company and its Subsidiaries have since January 1, 2015 complied in all material respects with (i) all of the Company's or its Subsidiaries' posted policies or policies otherwise communicated to third parties regarding Personal Information ("**Company Privacy Policies**"), (ii) all Privacy Laws, and (iii) all contractual commitments that the Company or its Subsidiaries have entered into with respect to Personal Information. Neither the Company, nor any of its Subsidiaries is a party to or the subject of any pending Action (or has received notice of any threatened Action) that alleges that the Company, a Subsidiary of the Company, or any Person acting on its behalf has violated any Privacy Laws or Company Privacy Policies.

Section 4.18 **Affiliate Transactions**. There are no Contracts providing for the provision of material services between any of the Company or its Subsidiaries, on the one hand, and any Unitholder or any officer, manager, director or Affiliate (other than the Company or its Subsidiaries) of a Unitholder, on the other hand.

Section 4.19 **Brokers**. No broker, investment banker, financial advisor or other Person, the fees and expenses for which shall be paid by the Company, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with this Agreement or the Transactions based upon arrangements made by or on behalf of the Company or any of its Affiliates.

Section 4.20 **DISCLAIMER OF WARRANTIES**. NOTWITHSTANDING ANY PROVISION OF THIS AGREEMENT TO THE CONTRARY, THE COMPANY DOES NOT MAKE ANY REPRESENTATIONS OR WARRANTIES TO PURCHASER, MERGER SUB OR ANY OTHER PERSON IN CONNECTION WITH THE TRANSACTIONS, EXCEPT AS SPECIFICALLY SET FORTH IN THIS ARTICLE IV. ALL OTHER REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, ARE DISCLAIMED BY THE COMPANY.

ARTICLE V

REPRESENTATIONS AND WARRANTIES OF PARENT, PURCHASER AND MERGER SUB

Except as disclosed in any report, schedule or form filed with, or furnished to, the SEC by Parent and publicly available at least two (2) Business Days prior to the date of this Agreement, in each case filed with and made publicly available on or after January 1, 2018 (excluding any disclosures set forth in any "risk factor" or "forward-looking statements" section) or any other disclosures that are cautionary, predictive or forward-looking in nature, and excluding any exhibits thereto) where the relevance of the information as an exception to, or disclosure for purposes of, a particular representation is reasonably apparent on the face of such disclosure (provided, that this exception shall not apply to any to the representations and warranties in Section 5.5(a)), Parent, Purchaser and Merger Sub, jointly and severally, represent and warrant to the Company as follows:

Section 5.1 **Status** . Each of Parent and its Significant Subsidiaries (as defined below) is duly incorporated or organized and validly existing under the Laws of its governing jurisdiction and each (a) has all requisite corporate, limited liability company or partnership power and authority to own, lease and operate its properties, rights and assets and to carry on its business as it is now being conducted, except where the failure to be in good standing or to have such requisite corporate, limited liability company or partnership power and authority would not constitute a Parent Material Adverse Effect and (b) is duly qualified or licensed to do business and is in good standing in each of the jurisdictions in which the ownership, operation or leasing of its properties, rights and assets and the conduct of its business requires it to be so qualified or licensed, except where the failure to have such power and authority or to be so qualified or licensed and in good standing would not reasonably be expected to have a Parent Material Adverse Effect. Parent and each of its Significant Subsidiaries is not in violation of any provision of its respective organizational documents, except where a violation would not have a material adverse effect on Parent and its Significant Subsidiaries taken as a whole or have a material adverse effect on the ability of Parent to consummate the Transactions.

Section 5.2 **Authorization; Enforceability**. Parent, Purchaser and Merger Sub each have all requisite power and authority to execute and deliver this Agreement and the other Transaction Agreements and to consummate the Transactions. The execution and delivery of this Agreement and the other Transaction Agreements by each of Parent, Purchaser and Merger Sub and the consummation by each of Parent, Purchaser and Merger Sub of the Transactions have been duly and validly authorized, and no other corporate, limited liability company or partnership proceedings are necessary for Parent, Purchaser or Merger Sub to authorize this Agreement or the other Transaction Agreements or to consummate the Transactions. This Agreement has been and the other Transaction Agreements will be duly executed and delivered by each of Parent, Purchaser and Merger Sub and (assuming due authorization, execution and delivery by the other parties hereto) this Agreement constitutes and each of the other Transaction Agreements will constitute a valid and binding obligation of each of Parent, Purchaser and Merger Sub, enforceable against Parent, Purchaser and Merger Sub, in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar Laws relating to or affecting creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law). The Parent Class A Shares to be issued in the Merger have been validly authorized and, when issued, will be validly issued, fully paid and nonassessable, and no Person will have any preemptive right or similar rights in respect thereof. The Purchaser Units to be issued in the Merger have been validly authorized and, when issued, will be validly issued, fully paid and nonassessable, and no Person will have any preemptive right or similar rights in respect thereof. Parent, as the general partner of Purchaser, has duly authorized the admission as limited partners of Purchaser all Unitholders that receive Purchaser Units in connection with the Transactions.

Section 5.3 **No Conflict**. Assuming all Governmental Filings and waiting periods described in or contemplated by Section 5.4 have been obtained or made, or have expired, the execution and delivery of this Agreement and the other Transaction Agreements by Parent, Purchaser and Merger Sub and the consummation by each of Parent, Purchaser and Merger Sub of the Transactions will not (a) violate any applicable Law to which any of Parent, Purchaser or Merger Sub are subject, (b) violate the charter, bylaws, limited liability company agreement or other organizational documents of any of Parent, Purchaser or Merger Sub, other than any such violations that would not reasonably be expected to have a Parent Material Adverse Effect.

Section 5.4 **Governmental Filings** . No Governmental Filings are required to be obtained or made by any of Parent, Purchaser, Merger Sub or their respective Affiliates in connection with the execution and delivery of this Agreement or the other Transaction Agreements by Parent, Purchaser or Merger Sub or the consummation by each of Parent, Purchaser and Merger Sub of the Transactions, except (a) the filing of applications, filings and notices, as applicable, with the New York Stock Exchange ("**NYSE** "), (b) compliance with and filings under the Exchange Act, (c) compliance with and filings under the HSR Act, (d) the filing of the Certificate of Merger or other documents as required by the DLLCA, (e) such filings and approvals as are required to be made or obtained under the securities or "Blue Sky" Laws of various states in connection with the issuance of the Parent Class A Shares or Purchaser Units pursuant to this Agreement and (f) such other Governmental Filings, the failure of which to be obtained or made would not reasonably be expected to have a Parent Material Adverse Effect. As of the date hereof, Purchaser is not aware of any reason why the necessary regulatory approvals and consents will not be received in order to permit the consummation by each of Parent, Purchaser and Merger Sub of the Transactions on a timely basis.

Section 5.5 Merger Sub.

(a) All of the issued and outstanding limited liability company interests of Merger Sub are duly authorized and validly issued and is fully paid, nonassessable and free of preemptive rights, with no personal liability attaching to the ownership thereof. All of the issued and outstanding limited liability company interests of Merger Sub are, and at the Effective Time will be, owned, directly or indirectly, by Purchaser.

(b) Merger Sub has not conducted any business other than (i) incident to its formation for the sole purpose of carrying out the Transactions and (ii) in relation to this Agreement, the Merger and the other Transactions.

Section 5.6 SEC Reports.

(a) Parent and each of its Subsidiaries have timely filed or furnished, as applicable, all reports, registrations and statements, together with any amendments required to be made with respect thereto, that they were required to file or furnish, as applicable, in the twelve (12) months period prior to the date hereof with any Governmental Entity, including any report, registration or statement required to be filed or furnished, as applicable, pursuant to the Laws of the United States, any state, any foreign entity, or any Governmental Entity, and have paid all fees and assessments due and payable in connection therewith, in each case, except where the failure to do so would not have a material adverse effect on Parent and its Significant Subsidiaries taken as a whole or have a material adverse effect on the ability of Parent to consummate the Transactions.

(b) An accurate and complete copy of each final registration statement, prospectus, report, schedule and definitive proxy statement filed with or furnished to the SEC since October 1, 2015 by Parent or any of its Subsidiaries pursuant to the Securities Act or the Exchange Act (together with those forms, reports and other documents filed by Parent with the SEC subsequent to the date of this Agreement, if any, the "**Parent Reports**") has been made publicly available. No such Parent Report (and, in the case of registration statements and proxy statements, on the dates of effectiveness and the dates of the relevant meetings, respectively) contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading, except that information filed or furnished as of a later date (but before the date of this Agreement) shall be deemed to modify information as of an earlier date. As of their respective dates, all Parent Reports filed or furnished under the Securities Act and the Exchange Act complied in all material respects with the published rules and regulations of the SEC with respect thereto. No executive officer of Parent has failed in any respect to make the certifications required of him or her under Section 302 or 906 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"). As of the date of this Agreement, there are no outstanding comments from or unresolved issues raised by the SEC with respect to any of the Parent Reports.

Section 5.7 Financial Statements.

(a) The financial statements of Parent and its Subsidiaries included (or incorporated by reference) in the Parent Reports (including the related notes, where applicable) (i) have been prepared from, and are in accordance with, the books and records of Parent and its Subsidiaries, (ii) present fairly in all material respects, as of their respective dates and for the periods set forth therein, the financial condition, operating results and cash flows of Parent and its Subsidiaries for the respective fiscal periods or as of the respective dates therein set forth (subject in the case of unaudited statements to the absence of full footnote disclosures and schedules and normal year-end audit adjustments), (iii) complied, as of their respective dates of filing with the SEC, in all material respects with applicable accounting requirements and with the published rules and regulations of the SEC with respect thereto, and (iv) have been prepared in accordance with GAAP during the periods involved, except, in each case, as indicated in such statements or in the notes thereto. The books and records of Parent and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP. Deloitte & Touche LLP has not resigned (or informed Parent that it intends to resign) or been dismissed as independent public accountants of Parent as a result of or in connection with any disagreements with Parent on a matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure.

(b) Neither Parent nor any of its Subsidiaries has any liability (whether absolute, accrued, contingent or otherwise and whether due or to become due) required by GAAP to be included on a consolidated balance sheet of Parent, except for those liabilities that are reflected or reserved against on (i) the unaudited consolidated balance sheet of Parent included in its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2018 and (ii) the audited consolidated balance sheet of Parent included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2017, in each case of clauses (i) and (ii) as set forth in the financial statements of Parent and its Subsidiaries (including any notes thereto) and for liabilities incurred in the ordinary course of business consistent with past practice since June 30, 2018 or in connection with this Agreement and the Transactions.

(c) The records, systems, controls, data and information of Parent and its Subsidiaries are recorded, stored, maintained and operated under means (including any electronic, mechanical or photographic process, whether computerized or not) that are under the exclusive ownership and direct control of Parent or its Subsidiaries or accountants (including all means of access thereto and therefrom), except for any non-exclusive ownership and non-direct control that would not reasonably be expected, either individually or in the aggregate, to have a Parent Material Adverse Effect. Parent (x) has implemented and maintains disclosure controls and procedures (as defined in Rule 13a-15(e) of the Exchange Act) to ensure that material information relating to Parent, including its Subsidiaries, is made known to the chief executive officer and the chief financial officer of Parent by others within those entities as appropriate to allow timely decisions regarding required disclosures and to make the certifications required by the Exchange Act and Sections 302 and 906 of the Sarbanes-Oxley Act, and (y) has disclosed, based on its most recent evaluation prior to the date hereof, to Parent's outside auditors and the audit committee of Parent's Board of Directors (i) any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) which are reasonably likely to adversely affect Purchaser's

ability to record, process, summarize and report financial information, and (ii) to the knowledge of Parent, any fraud, whether or not material, that involves management or other employees who have a significant role in Purchaser's internal controls over financial reporting. To the knowledge of Purchaser, there is no reason to believe that Parent's outside auditors and its chief executive officer and chief financial officer will not be able to give the certifications and attestations required pursuant to the rules and regulations adopted pursuant to Section 404 of the Sarbanes-Oxley Act, without qualification, when next due.

(d) Since October 1, 2015, (i) neither Parent nor any of its Subsidiaries, nor, to the knowledge of Purchaser, any director, officer, employee, auditor or accountant of Parent or any of its Subsidiaries, has received any written material complaint, allegation, assertion or claim regarding the accounting or auditing practices, procedures, methodologies or methods (including with respect to loan loss reserves, write-downs, charge-offs and accruals) of Parent or any of its Subsidiaries or their respective internal accounting controls, including any written material complaint, allegation, assertion or claim that the accounting or auditing practices of Parent or any of its Subsidiaries are improper in any material respect, and (ii) no attorney representing Parent or any of its Subsidiaries, whether or not employed by Parent or any of its Subsidiaries, has, to the knowledge of Parent, reported evidence of a material violation of securities Laws, material breach of fiduciary duty or similar material violation by Parent or any of its Subsidiaries or their respective officers, directors or employees to the Board of Directors of Parent or any committee thereof or any director or officer of Parent.

Section 5.8 **Absence of Certain Changes or Events** . Since the Latest Balance Sheet Date, no change or event has occurred that has had or would reasonably be expected to have, either individually or in the aggregate, a Parent Material Adverse Effect.

Section 5.9 **Compliance with Applicable Laws**.

(a) Parent, Purchaser and Merger Sub hold, and have held at all times since October 1, 2015 (or the date of such entity's formation, whichever is later), all Permits necessary for the lawful conduct of their businesses and ownership of their properties, rights and assets under and pursuant to each (and have paid all fees and assessments due and payable in connection therewith), except where neither the cost of failure to hold nor the cost of obtaining and holding such Permit (nor the failure to pay any fees or assessments) would, either individually or in the aggregate, reasonably be expected to be material to Parent, Purchaser and Merger Sub and their respective Subsidiaries taken as a whole, and, to the knowledge of Parent, Purchaser and Merger Sub, no suspension or cancellation of any such necessary Permit is threatened.

(b) PJT Partners LP (the "**Broker-Dealer Subsidiary**") is a member in good standing of FINRA and each other Governmental Entity where the conduct of its business requires such membership, except where the failure to be in such good standing would not reasonably be expected to have a material and adverse effect on the Broker-Dealer Subsidiary. The Broker-Dealer Subsidiary currently maintains and, at all times since October 1, 2015, has maintained "net capital" (as such term is defined in Rule 15c3-1(c)(2) under the Exchange Act) equal to or in excess of the minimum "net capital" required to be maintained by it under the Exchange Act. None of the Broker-Dealer Subsidiary nor any "associated person" thereof (i) is

or has been ineligible to serve as a broker-dealer or an associated person of a broker-dealer under Section 15(b) of the Exchange Act, (ii) is subject to a "statutory disqualification" as defined in Section 3(a)(39) of the Exchange Act or (iii) is subject to disqualification under Rule 506(d) of Regulation D under the Securities Act. There is no Action pending or, to the Knowledge of the Partnership, threatened, that is reasonably likely to result in any such person being deemed ineligible as described in clause (i), subject to a "statutory disqualification" as described in clause (ii) or subject to disqualification as described in clause (iii).

(c) Parent, Purchaser and Merger Sub and their respective Subsidiaries have since October 1, 2015 (or the date of such entity's formation, whichever is later), (i) complied with and are not in default or violation under any applicable Law or policy and/or guideline of any Governmental Entity relating to each of Parent, Purchaser and Merger Sub and their respective Subsidiaries, including (to the extent applicable to Parent, Purchaser and Merger Sub and their respective Subsidiaries) all Laws related to data protection or privacy, the USA PATRIOT Act, the Foreign Corrupt Practices Act, and the Sarbanes-Oxley Act, (ii) been conducting operations at all times in compliance in all material respects with Anti-Money Laundering Laws and (iii) established and maintained a system of internal controls designed to provide compliance by Parent, Purchaser and Merger Sub and their respective Subsidiaries with applicable financial recordkeeping and reporting requirements of the Anti-Money Laundering Laws, except where, in the case of clauses (i), (ii) or (iii), the failure to comply would not reasonably be expected to have, either individually or in the aggregate, a Parent Material Adverse Effect.

Section 5.10 Legal Proceedings.

(a) Except as would not reasonably be expected, either individually or in the aggregate, to have a Parent Material Adverse Effect, neither Parent nor any of its Subsidiaries is a party to any, and there are no pending or, to Purchaser's knowledge, threatened, Actions of any nature challenging the validity or propriety of the Transactions.

(b) There is no Governmental Order imposed upon Parent, any of its Subsidiaries or the assets of Parent or any of its Subsidiaries (or that, upon consummation of the Merger, would apply to Parent or any of its Affiliates) that would reasonably be expected to have a Parent Material Adverse Effect.

Section 5.11 Financing; Parent Class A Shares and Purchaser Units. Purchaser has, and will have at Closing, all funds necessary to pay all amounts payable at the Closing and any other fees, expenses or other amounts payable in connection with the consummation of the Transactions and satisfy in full the obligations pursuant to this Agreement, including all fees and expenses of Purchaser, Merger Sub and their respective Affiliates, including in connection with the Transactions. Each of Purchaser and Merger Sub affirms that it is not a condition to the Closing or to any of its other obligations under this Agreement that Purchaser or Merger Sub obtain financing for or related to any of the Transactions. Parent has, and will have at Closing or at such other time as it is required by this Agreement, sufficient funds immediately available and a sufficient number of Parent Class A Shares or Purchaser Units authorized and held in reserve in order to pay and perform all of its obligations under Section 6.17 and Section 10.19. The issuance of Parent Class A Units and Purchaser Units to Unitholders at the Closing will be exempt from registration or qualification under the Securities Act and applicable state securities laws subject to the accuracy of the representations and warranties of the Unitholders set forth in the Letter of Transmittal.

Section 5.12 **Brokers**. No broker, investment banker, financial advisor or other Person, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with this Agreement or the Transactions based upon arrangements made by or on behalf of any of Purchaser, Merger Sub or their respective Affiliates.

Section 5.13 **Due Diligence by Purchaser**. Purchaser acknowledges that it has conducted to its satisfaction an independent investigation of the Company and the operations, assets, liabilities and financial condition of the Company in making the determination to proceed with the Transactions and has relied solely on the results of its own independent investigation and the representations and warranties in Article IV in connection with the Company and the subject matter of this Agreement.

ARTICLE VI

COVENANTS

Section 6.1 **Conduct of the Business** . Except for matters set forth in Section 6.1 of the Company Disclosure Schedule or matters otherwise permitted or required by the terms of this Agreement or except as required by applicable Law, from the date of this Agreement to the earlier of the Effective Time and the Outside Date, the Company shall use commercially reasonable efforts to conduct its and its Subsidiaries' businesses in the ordinary course of business consistent with past practice in all material respects, to keep intact their respective businesses in all material respects and to preserve their relationships in all material respects. In addition (and without limiting the generality of the foregoing), except as set forth in Section 6.1 of the Company Disclosure Schedule or expressly permitted or required by the terms of this Agreement or except as required by applicable Law, from the date of this Agreement to the earlier of the Effective Time and the Outside Date, the Company shall not, and shall not permit any of their Subsidiaries to, do any of the following without the prior written consent of Purchaser:

(a) effect any amendment or change in its certificate of limited partnership or formation, the LLC Agreement or any other organizational document;

(b) adopt or effect a plan or agreement of liquidation, dissolution, restructuring, merger, consolidation, restructuring, recapitalization or other reorganization;

(c) (i) issue, sell, transfer, pledge, dispose of or suffer any Encumbrance on any limited liability company units or any other equity interests, (ii) grant any options, warrants or other rights to purchase or obtain any limited liability company units or any other equity interests, (iii) split, combine, subdivide or reclassify any limited liability company units or any other equity interests, (iv) declare, set aside or pay any non-cash dividend or make any other non-cash distribution (whether in stock, other equity interest, property or otherwise) with respect to any limited liability company units or any other equity interests or (v) redeem, purchase or otherwise acquire any limited liability company units or any other equity interests, including any rights, warrants or options to acquire the limited liability company units;

(d) (i) issue any note, bond or other debt security or incur or guarantee any indebtedness for borrowed money or otherwise become responsible for any indebtedness for borrowed money, (ii) cancel any debts or waive, release or compromise any claims or rights thereunder in excess of $250,000 or (iii) make any material loans, advances or capital contributions to, or investments in, any other Person;

(e) enter into or consummate any transaction involving the acquisition of the business, stock, assets or other properties of any other Person;

(f) sell, lease, license, abandon, allow to lapse or otherwise dispose of any material amount of assets or property (including Intellectual Property) for consideration in excess of $250,000;

(g) except as may be required as a result of a change in Law or in GAAP, change any of its accounting principles or practices;

(h) (i) make or rescind any material tax election with respect to the Company or its Subsidiaries (including making an entity classification election pursuant to Treasury Regulation Section 301.7701-3(c) to be classified as an association taxable as a corporation), (ii) change any annual accounting period, (iii) adopt or change any Tax accounting method, (iv) settle or compromise any Tax claim with respect to a material amount of Taxes, (v) consent to any extension or waiver of the limitations period for the assessment or collection of any material amount of Tax, (vi) file any amended material Tax Return, (vii) enter into any closing agreement relating to any material amount of Tax or (viii) surrender any claim for a material Tax refund;

(i) except as required to comply with Company Benefit Plans or Company Benefit Arrangements existing on the date of this Agreement, (i) adopt, enter into, terminate or amend any Company Benefit Plan or Company Benefit Arrangement or any collective bargaining agreement, other than amendments made in the ordinary course of business and as would not increase benefits or costs to the Company with respect to such Company Benefit Plans or Company Benefit Arrangements by more than a de minimis amount with respect to each such amendment; (ii) increase the compensation or benefits of, or agree to or pay any bonus to, any director, officer, employee, member, service provider or consultant or modify their terms of employment or engagement, other than increases in compensation in the ordinary course of business consistent with past practice with respect to employees who are below the level of Principal; (iii) amend or accelerate the payment, right to payment or vesting of any compensation or benefits, including any outstanding equity compensation; (iv) grant or increase any bonus, incentive, severance, retention, change of control, equity, or performance awards or payments under any Company Benefit Plan or Company Benefit Arrangement or any agreement that would be a Company Benefit Plan or Company Benefit Arrangement if entered into prior to the date hereof; (v) take any action to fund or in any other way secure the payment of compensation or benefits under any Company Benefit Plan or Company Benefit Arrangement other than in the ordinary course of business; (vi) forgive any loans to directors, officers, employees, members, service providers or consultants of the Company or any of its Subsidiaries, or (vii) pay or vest any performance based amount or award in excess of the level earned based on actual performance;

(j) make, authorize or enter into any commitment with a third party for any capital expenditures in excess of $100,000 in the aggregate;

(k) cancel, modify, reduce or terminate any insurance policy without obtaining comparable substitute insurance coverage;

(l) terminate any officers or senior employees other than for cause, or hire any new employees unless (A) such hiring is in the ordinary course of business consistent with past practice, (B) such hiring is made in consultation with Parent and (C) such hiring is of an employee below the level of Principal;

(m) enter into any transaction or any contract with any of its Key Employees, officers, directors or Affiliates;

(n) institute, settle, agree to settle or compromise any Action (i) for an amount in excess of $500,000 in the aggregate, (ii) that would reasonably be expected to result in material restrictions upon the business or operations of the Company or its Subsidiaries or (iii) by agreeing to any material conduct remedy or other material equitable relief binding on the Company or its Subsidiaries; or

(o) authorize, agree or commit to take any of the actions described in Section 6.1(a) through Section 6.1(n).

Section 6.2 Employee Benefits.

(a) During the period commencing at the Closing and ending on the first anniversary of the Closing Date, Purchaser shall, or shall cause the Company to provide (i) each continuing employee of the Company or its Subsidiaries, other than partners or employees who are offered a new partner or employment agreement or offer letter with Parent, with base salary or wage rate and short-term incentive opportunity substantially comparable in the aggregate to the base salary or wage rate and short-term incentive opportunity in effect as of immediately prior to the Closing Date and (ii) continuing employees substantially similar employee benefits (other than equity or equity-based or discretionary salary or bonus compensation) in the aggregate as those provided to similarly situated employees of Purchaser.

(b) From and after the Closing, Purchaser shall, or shall cause the Company to, continue to honor, pay, perform and satisfy any and all liabilities, obligations and responsibilities to, or in respect of, each employee and officer of the Company and its Subsidiaries, and each former employee and officer of Company and its Subsidiaries, as of the Closing arising under the terms of any Company Benefit Plan or Company Benefit Arrangement (other than with respect to any equity or equity-based arrangements) in accordance with the terms thereof. Notwithstanding the foregoing, nothing will prohibit Purchaser, the Company or any of its Subsidiaries from amending or terminating any such Company Benefit Plans or Company Benefit Arrangements or compensation or benefits arrangements in accordance with their terms or if otherwise required pursuant to applicable Law.

(c) For purposes of eligibility, vesting, and entitlement to benefits under the PTO, retirement, and health and welfare plans of Purchaser, the Company or any of their respective subsidiaries in which employees are eligible to participate following the Closing (the "**Purchaser Plans**"), Purchaser and the Company shall credit each employee with his or her years of service with the Company, its Subsidiaries and any predecessor entities, to the same extent as such employee was entitled immediately prior to the Closing to credit for such service under any similar Company Benefit Plan or Company Benefit Arrangement, except under any Pension Plan or where such crediting would result in duplication of benefits. Purchaser shall use commercially reasonable efforts to provide that Purchaser Plans shall not deny employees coverage on the basis of pre-existing conditions to the extent such conditions were waived or satisfied under similar Company Benefit Plans immediately prior to the Closing and shall credit such employees for any deductibles and out-of-pocket expenses paid prior to the Closing Date in satisfying any deductibles and out-of-pocket expenses in the applicable plan year to which such deductibles and out-of-pocket expenses relate.

(d) Immediately prior to the Effective Time, the Company shall pay to each Senior Advisor set forth on Section 6.2(d) of the Company Disclosure Schedule, and to each employee of the Company who is employed (or for such Senior Advisors, providing services) as of immediately prior to the Effective Time and who is then participating in any bonus or incentive plans, arrangements or agreements maintained by the Company with respect to the Company's fiscal year (or such shorter performance period) during which the Closing occurs, a prorated incentive payment under such plans for the period from the beginning of the applicable performance period through September 30th, 2018 based on the performance of the Company though such date (the "**September Bonus**"). No later than thirty (30) days prior to the Closing Date, the Company shall provide Purchaser with a list of each such employee to whom such prorated incentive payments will be made, and the corresponding amount of each such payment. The Purchaser shall cause the Company to pay a prorated bonus for the remaining portion of the fiscal year equal to one-third of the September Bonus, subject to the employee's continued employment through the end of the fiscal year; provided, that Senior Advisors shall not receive such prorated bonus for the remaining portion of the fiscal year.

(e) Purchaser agrees to implement an incentive award program for continuing employees of the Company and its Subsidiaries. The award pools and types of awards are set forth on Section 6.2(e) of the Company Disclosure Schedule. Incentive awards under the incentive award program shall be allocated to the employees (each such employee a "**Participant**") and in such amounts as set forth on Section 6.2(e) of the Company Disclosure Schedule, subject to modification by the Chief Executive Officer in consultation with the Chief Executive Officer of Parent and with the approval of the Compensation Committee of Parent, (which shall not be unreasonably withheld), provided that all such modifications must be made at least five days prior to the Closing. At least five (5) days prior to the Closing, Purchaser shall have offered (with the cooperation of the Company) agreements executed by Purchaser substantially in the form attached hereto as Exhibit 6.2 (each an "**Award Agreement** ") to each Participant allocated an award pursuant to Section 6.2(e) of the Company Disclosure Schedule setting forth the incentive awards such Participant is eligible to receive pursuant to such schedule, as may be modified as above, such agreement (to the extent executed by the Participant) to become effective on the Closing Date and such incentive awards to be granted by Purchaser within 20 business days following the Closing; provided, that each such offer shall be

automatically withdrawn at the Effective Time if not accepted by the applicable Participant by executing and delivering a countersigned Award Agreement to Purchaser prior to the Closing; provided, further, that for employees who are not receiving Restricted Shares, such Award Agreements will include a waiver and release of all claims against the Company, Parent and their Affiliates.

(f) The parties hereto acknowledge and agree that all provisions contained in this Section 6.2 with respect to employees of the Company and its Subsidiaries are included for the sole benefit of the respective parties hereto and shall not create any right (i) in any other Person, including any employee, former employee or any participant or any beneficiary thereof in any Company Benefit Plan, Company Benefit Arrangement or Purchaser Plan, or (ii) to continued employment with the Company, any of its Subsidiaries, Purchaser or the Company. Except as provided in Section 6.2(d) and Section 6.2(e), after the Effective Time, nothing contained in this Section 6.2 is intended to be or shall be considered to be an amendment or adoption of any plan, program, agreement, arrangement or policy of the Company, any of its Subsidiaries, Purchaser or the Company nor shall it interfere with Purchaser's, the Company's or any of the Company's Subsidiaries' right to amend, modify or terminate any Company Benefit Plan, Company Benefit Arrangement or Purchaser Plan or to terminate the employment of any employee of the Company or its Subsidiaries for any reason.

Section 6.3 **Publicity**. Parent, Purchaser and Merger Sub, on the one hand, and the Company, on the other hand, shall communicate and cooperate with each other and will mutually agree upon any press release or public disclosure of the Transactions. Parent, Purchaser and Merger Sub, on the one hand, and the Company, on the other hand, agree on behalf of themselves and their respective Subsidiaries that no public release or announcement concerning the terms of the Transactions shall be issued by any of them without the prior written consent of the other party, except such release or announcement as may be required by Law or the rules and regulations of any stock exchange upon which the securities of Purchaser or one of its Affiliates are listed, in which case the party required to make the release or announcement shall allow the other party reasonable time to comment on such release or announcement in advance of such issuance; provided, however, that (a) the Company is permitted to report and disclose the status and terms (including price terms) of this Agreement and the Transactions to Corsair and to permit Corsair to disclose such status and terms to their direct or indirect limited partners if such information is of a nature customarily conveyed to such limited partners and disclosed in the ordinary course of business and (b) the Company is permitted to report and disclose the status of this Agreement and the Transactions pursuant to an internal communication or otherwise to its employees.

Section 6.4 **Confidentiality**. Purchaser and the Company each acknowledge that the information provided to it and its Representatives in connection with this Agreement and the Transactions are subject to the terms of the Confidentiality Agreements between Purchaser and CamberView Partners, LLC, dated as of February 15, 2018 and August 14, 2018, respectively (as amended or modified from time to time, the "**Confidentiality Agreements**"). The terms of the Confidentiality Agreements are hereby incorporated by reference. The Confidentiality Agreements shall terminate at the Effective Time.

Section 6.5 **Access to Information** .

(a) Prior to the Closing and subject to applicable Laws and Section 6.4, Purchaser shall be entitled, through its officers, employees and Representatives (including its legal advisors and accountants), to have such access to the properties, businesses and operations of the Company and its Subsidiaries and such examination of the books and records of the Company and its Subsidiaries as it reasonably requests upon reasonable advance written notice in connection with Purchaser's efforts to consummate the Transactions. Any such access and examination shall be conducted during regular business hours and under circumstances that do not unreasonably interfere with the normal operations of the business and shall be subject to restrictions under applicable Law. The Company shall cause the officers, employees, consultants, agents, accountants, attorneys and other Representatives of the Company and its Subsidiaries to cooperate with Purchaser and Purchaser's Representatives in connection with such access and examination, and Purchaser and its Representatives shall cooperate with the Company and its Representatives and shall use their commercially reasonable efforts to minimize any disruption to the business. Any disclosure during such investigation by Purchaser or its Representatives shall not constitute any enlargement or additional representation or warranty of the Company beyond those specifically set forth in Article IV . Notwithstanding anything herein to the contrary, no such access or examination shall be permitted to the extent that it (i) relates to information with respect to the negotiation of this Agreement and the Transactions, (ii) would unreasonably disrupt the operations of the Company and its Subsidiaries or (iii) would require the Company and its Subsidiaries to disclose information that in the reasonable judgment of the Company after consultation with counsel, is subject to attorney-client privilege or may conflict with any confidentiality obligations to which the Company or any of its Subsidiaries is bound (provided that the Company and its Subsidiaries shall use their respective commercially reasonable efforts to provide such access and permit such examination in a manner that would not jeopardize such privilege or conflict with such confidentiality obligations).

(b) All Parent or Purchaser communications directly with any employee of the Company or its Subsidiaries, the customers, suppliers, landlords, lenders and other material business relations of the Company or any of its Subsidiaries in connection with planning for the integration of the Company by Purchaser following the Closing or otherwise in connection with the Transactions shall be in accordance with a communications strategy mutually agreed to by the Company and Purchaser (which will specify which persons are entitled to make such communications) or otherwise agreed upon in writing in advance by the Company and Purchaser, and all other communications with such parties related to the Transactions shall be conducted in accordance with Section 6.3. Nothing in this Section 6.5(b) shall prohibit Purchaser or any of its Affiliates from communicating with any customer or potential customer of Purchaser or any of its Affiliates in the ordinary course of business regarding any matter unrelated to the Transactions (whether or not such Person is also a customer of the Company or any of its Subsidiaries).

Section 6.6 Regulatory Approvals.

(a) Each of the parties hereto shall use their reasonable best efforts to take, or cause to be taken, all action, and to do, or cause to be done as promptly as practicable, all things necessary, proper and advisable under applicable Laws to consummate and make effective as promptly as practicable the Transactions. Subject to appropriate confidentiality protections, each party hereto shall furnish to the other parties such necessary information and reasonable assistance as such other party may reasonably request in connection with the foregoing.

(b) Each of the parties hereto shall cooperate with one another and use their reasonable best efforts to prepare all necessary documentation (including furnishing all information required under the Competition Laws) to effect promptly all necessary filings with any Governmental Entity and to obtain all consents, non-objections, waivers and approvals of any Governmental Entity necessary to consummate the Transactions. Each party hereto shall provide to the other parties copies of all correspondence between it (or its advisors) and any Governmental Antitrust Entity or other Governmental Entity relating to the Transactions or any of the matters described in this Section 6.6 (subject to redaction for any confidential supervisory material). Each of the parties hereto shall promptly inform the other of any oral communication with, and provide copies of written communications with, any Governmental Entity regarding any such filings or the Transactions. No party hereto shall independently participate in any meeting or conference call with any Governmental Entity in respect of any such filings, investigation, or other inquiry without giving the other party prior notice of the meeting or conference call and, to the extent permitted by such Governmental Entity, the opportunity to attend and/or participate. To the extent permissible under applicable Law, the parties hereto will consult and cooperate with one another in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party hereto relating to proceedings under the Competition Laws. The parties hereto may, as they deem advisable, designate any competitively sensitive materials provided to the other under this Section 6.6(b) or any other section of this Agreement as "legal counsel only." Such materials and the information contained therein shall be given only to legal counsel of the recipient and will not be disclosed by such legal counsel to employees, officers, or directors of the recipient without the advance written consent of the party providing such materials.

(c) Without limiting the generality of the undertakings pursuant to this Section 6.6, the parties hereto shall use reasonable best efforts to provide or cause to be provided (including by their "ultimate parent entities" as that term is defined in the HSR Act) as promptly as practicable to any Governmental Antitrust Entity information and documents requested by such Governmental Antitrust Entity or necessary, proper or advisable to permit consummation of the Transactions, including filing any notification and report form and related material required under the HSR Act as promptly as practicable, but in no event later than five (5) Business Days after the date hereof, and thereafter to respond promptly to any request for additional information or documentary material that may be made under the HSR Act and any similar Competition Law regarding preacquisition notifications for the purpose of competition reviews. Purchaser shall cause (and shall cause its "ultimate parent entity" as that term is defined in the HSR Act to cause) the filings made by it under the HSR Act to be considered for grant of "early termination," and make any further filings pursuant thereto that may be necessary, proper, or advisable in connection therewith.

(d) If any objections are asserted with respect to the Transactions under any applicable Law or if any Action is instituted by any Governmental Entity or any private party challenging any of the Transactions as violative of any applicable Law, each of the parties hereto shall, at the sole cost and expense of Purchaser, use its reasonable best efforts to: (i) oppose or defend against any action to prevent or enjoin consummation of this Agreement (and the Transactions), and/or (ii) take such action as reasonably necessary to overturn any regulatory action by any Governmental Entity to prevent or enjoin consummation of this Agreement (and the Transactions), including by defending any Action brought by any Governmental Entity in order to avoid entry of, or to have vacated, overturned or terminated, including by appeal if necessary, in order to resolve any such objections or challenge as such Governmental Entity or private party may have to such transactions under such applicable Law so as to permit consummation of the Transactions.

(e) Parent and Purchaser shall, and shall cause its Affiliates to, cooperate in good faith with any Governmental Entity and take promptly any and all action required to complete lawfully the Transactions as soon as practicable (but in any event prior to the Outside Date) and any and all action necessary or advisable to avoid, prevent, eliminate or remove the actual or threatened commencement of any Action in any forum by or on behalf of any Governmental Entity or the issuance of any Governmental Order that would (or to obtain the agreement or consent of any Governmental Entity to the Transactions the absence of which would) delay, enjoin, prevent, restrain or otherwise prohibit the consummation of Transactions, including (i) proffering and consenting and/or agreeing to a Governmental Order or other agreement providing for (A) the licensing or other limitations or restrictions on, particular assets, or categories of assets of the Surviving Entity, its Subsidiaries or Purchaser or (B) the amendment or assignment of existing relationships and contractual rights and obligations of the Surviving Entity, its Subsidiaries or Purchaser and (ii) promptly effecting the licensing or holding separate of assets or lines of business or the amendment or assignment of existing relationships and contractual rights, in each case, at such time as may be necessary to permit the lawful consummation of the Transactions on or prior to the Outside Date.

Section 6.7 Director and Officer Liability; Indemnification.

(a) Without limiting any additional rights that any Person may have under any Company Benefit Plan or Company Benefit Arrangement, Purchaser agrees that all rights to indemnification, advancement of expenses and exculpation by the Company now existing in favor of each present (as of immediately prior to the Effective Time) and former officer, director, manager or Unitholder of the Company and its Subsidiaries (the "**Indemnified Individuals**") for such Indemnified Individual's acts or omissions occurring at or prior to the Effective Time arising out of or pertaining to the fact that the Indemnified Individual is or was an officer, director, manager or Unitholder of the Company or its Subsidiaries as provided in the LLC Agreement as in effect on the date of this Agreement, or pursuant to any other indemnification agreements identified on Section 6.7(a) of the Company Disclosure Schedule in effect on the date of this Agreement (collectively, the "**Indemnification Contracts**"), shall survive the Merger from the Effective Time through the sixth (6th) anniversary of the date on which the Effective Time occurs. Each of Purchaser and the Surviving Entity shall indemnify and hold harmless each Indemnified Individual from and against all claims, losses, liabilities, damages, judgments, inquiries, fines and reasonable fees, costs and expenses, including attorneys' fees and

disbursements, incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to (i) the fact that the Indemnified Individual is or was an officer, director, manager, Unitholder, agent, employee or fiduciary of the Company or its Subsidiaries or (ii) matters existing or occurring at or prior to the Effective Time (including this Agreement, the Transactions and the other actions contemplated hereby), whether asserted or claimed prior to, at or after the Effective Time, in each case to the extent the Company or its Subsidiaries would have been required to indemnify such Indemnified Individuals under applicable Law or as explicitly provided in the LLC Agreement and the Indemnification Contracts, and in accordance with any procedures set forth in the LLC Agreement and the Indemnification Contracts.

(b) Subject to any limitation imposed from time to time under applicable Law, the limited liability company agreement or other organizational agreements of the Surviving Entity and its Subsidiaries (or equivalent governing documents) shall contain provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of former or present directors, managers and officers than are set forth in the LLC Agreement (or equivalent governing documents) as of the date hereof, which provisions shall not be amended, repealed or otherwise modified for a period of six (6) years from the Effective Time in any manner that would adversely affect the rights thereunder of any such individuals.

(c) Purchaser shall purchase a "tail" insurance policy with reputable and financially sound carriers of at least the same coverage and amounts and containing terms and conditions that are no less advantageous than the current policies of directors', managers' and officers' liability insurance maintained by the Company and its Subsidiaries with respect to claims arising from or related to facts or events that occurred at or before the Effective Time. Purchaser agrees to take all necessary actions to maintain such policy in full force and effect and fulfill Purchaser's obligations thereunder throughout such six (6) year period following the Effective Time.

(d) Notwithstanding anything to the contrary in this Section 6.7, Purchaser agrees that any indemnification, advancement of expenses or insurance available to any Indemnified Individual who at or prior to the Closing was a director of the Company or any of its Subsidiaries by virtue of such Indemnified Individual's service as a partner, member or employee of any investment fund or management entity affiliated with or managed by Corsair at or prior to the Closing (any such Indemnified Individual, a "**Corsair Director**") shall be secondary to the indemnification, advancement of expenses and insurance to be provided by Purchaser, the Surviving Entity and its Subsidiaries pursuant to this Section 6.7 and that the Surviving Entity and its Subsidiaries (i) shall be the primary indemnitors of first resort for Corsair Directors pursuant to this Section 6.7, (ii) shall be fully responsible for the advancement of expenses, indemnification and exculpation from liabilities with respect to Corsair Directors that are addressed by this Section 6.7 and (iii) shall not make any claim for contribution, subrogation or any other recovery of any kind in respect of any other indemnification or insurance available to any Corsair Director with respect to any matter addressed by this Section 6.7.

(e) Notwithstanding anything herein to the contrary, if any claim, action, suit, proceeding or investigation (whether arising before, at or after the Effective Time) is made against any Indemnified Individual on or prior to the sixth (6th) anniversary of the Effective Time, the provisions of this Section 6.7 shall continue in effect until the final disposition of such claim, action, suit, proceeding or investigation.

(f) This covenant is intended to be for the benefit of, and shall be enforceable by, each of the Indemnified Individuals and their respective heirs and legal representatives. The indemnification provided for herein shall not be deemed exclusive of any other rights to which an Indemnified Individual is entitled, whether pursuant to law, contract or otherwise.

(g) In the event that the Surviving Entity or Purchaser or any of their respective successors or permitted assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or a majority of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and permitted assigns of the Surviving Entity or Purchaser, as the case may be, shall succeed to the obligations set forth in this Section 6.7.

Section 6.8 Reasonable Best Efforts.

(a) Without limiting the parties' obligations under Section 6.6 , upon the terms and subject to the conditions herein provided, except as otherwise provided in this Agreement each of the parties hereto shall use its reasonable best efforts to take or cause to be taken all actions, to do or cause to be done and to assist and cooperate with the other party in doing all things necessary, proper or advisable under applicable Laws to consummate and make effective, in the most expeditious manner practicable, the Transactions, including: (i) the satisfaction of the conditions precedent to the obligations of any of the parties; (ii) the obtaining of applicable consents, waivers or approvals of any Governmental Entities or third parties; (iii) the defending of any Actions challenging this Agreement or the performance of the obligations hereby; and (iv) the execution and delivery of such instruments, and the taking of such other actions, as the other party may reasonably require in order to carry out the intent of this Agreement.

(b) Notwithstanding anything to the contrary in this Agreement, nothing herein shall obligate or be construed to obligate the Company or any of its Affiliates to (i) make, or to cause to be made, any payment to any third party in order to obtain the consent or approval of such third party for any reason or (ii) agree to take any action or to agree to any restriction that is not conditioned on the prior consummation of the Closing or would otherwise be effective prior to the Closing. Notwithstanding anything to the contrary in this Agreement, Purchaser and Merger Sub agree that the Company and its Affiliates shall not have any liability whatsoever to Purchaser or Merger Sub arising out of or relating to the failure to obtain any consent, approval or waiver under any contract or from any other Person and no representation, warranty or covenant herein shall be breached or deemed breached, no condition shall be deemed not satisfied and no termination right shall be deemed triggered as a result of such failure.

Section 6.9 Tax Matters.

(a) Tax Returns.

(i) The Company shall prepare and timely file or shall cause to be prepared and timely filed all Tax Returns for the Company and its Subsidiaries that are due on or before the Closing Date (taking into account any valid extension of time to file) and timely pay all amounts shown due on such Tax Returns. Any Tax Returns described in this Section 6.9(a)(i) (other than Pass-Through Tax Returns) shall be prepared in a manner consistent with past practices of the Company and its Subsidiaries.

(ii) The Securityholder Representative shall prepare and timely file or shall cause to be prepared and timely filed all Pass-Through Tax Returns for the Company and its Subsidiaries with respect to taxable periods ending on or before the Closing Date that are required to be filed after the Closing; provided, that such Tax Returns may be prepared by the employees of the Company or its external tax advisors at the direction of the Securityholder Representative and that the first fifty thousand dollars ($50,000) of such expense of preparing such Tax Returns shall be borne by Purchaser. All Tax Returns described in this Section 6.9(a)(ii) shall be prepared in a manner consistent with past practices of the Company and its Subsidiaries.

(iii) Purchaser shall prepare and timely file or shall cause to be prepared and timely filed all Pass-Through Tax Returns for the Company and its Subsidiaries with respect to any taxable period that begins on or before the Closing Date and ends after the Closing Date. Purchaser shall submit all such Pass-Through Tax Returns to the Securityholder Representative for its review and approval at least fifteen (15) days prior to the due date for filing such Tax Returns (taking into account any valid extension of time to file).

(iv) Purchaser and the Unitholders agree that in connection with the preparation and filing of Tax Returns of or with respect to the Company and its Subsidiaries, to the extent permitted by applicable Law, deductions and/or losses of or with respect to Indebtedness and Transaction Expenses shall be claimed in taxable periods, or portions thereof, ending on or before the Closing Date.

(b) Allocation of Taxes. The portion of any Taxes for a taxable period beginning on or before and ending after the Closing Date allocable to the portion of such period ending on the Closing Date shall be deemed to equal (i) in the case of Taxes that (x) are based upon or related to income or receipts or (y) imposed in connection with any sale or other transfer or assignment of property, other than Transfer Taxes, the amount which would be payable if the taxable year ended with the Closing Date, and (ii) in the case of other Taxes imposed on a periodic basis (including property Taxes), the amount of such Taxes for the entire period multiplied by a fraction the numerator of which is the number of calendar days in the period ending with the Closing Date and the denominator of which is the number of calendar days in the entire period. For purposes of computing the Taxes attributable to the two portions of a taxable period pursuant to this Section 6.9(b), the amount of any item that is taken into account only once for each taxable period (e.g., the benefit of graduated tax rates, exemption amounts, etc.) shall be allocated between the two portions of the period in proportion to the number of days in each portion. For purposes of this Agreement, the tax allocation principles set forth in this Section 6.9 shall be defined as “Tax Allocation Principles”.

(c) Cooperation in Tax Matters. The Unitholders, Securityholder Representative and Purchaser shall cooperate reasonably in connection with the filing of Tax Returns of the Company and its Subsidiaries and any audit, investigation, litigation, dispute or other similar proceeding with respect to Taxes (a "**Tax Proceeding**") of the Company or any Subsidiary. Such cooperation shall include the provision of records and information with respect to the Company or any Subsidiary which are in the possession of any Unitholder, Securityholder Representative or Purchaser and are reasonably relevant to any such Tax Proceeding and a power of attorney issued to the Securityholder Representative to the extent necessary in order to implement the provisions of Section 6.9(a)(ii). Without limiting the foregoing, the Unitholders and Securityholder Representative will cooperate reasonably and use commercially reasonable efforts to have the now-current officers, directors and employees of the Company or any Subsidiary cooperate with Purchaser in furnishing information, evidence, testimony and other assistance in connection with the filing of any Tax Return or any Tax Proceeding with respect to matters pertaining to any and all periods beginning prior to the Closing Date.

(d) Tax Proceedings.

(i) The Securityholder Representative shall have the right, at the expense of the Unitholders, to the extent related to any Pass-Through Tax Return for any taxable period (or portion thereof) ending on or before the Closing Date, to control any Tax Proceeding, initiate any claim for refund, contest, resolve and defend against any assessment, notice of deficiency, or other adjustment or proposed adjustment relating to any and all Taxes of the Company and its Subsidiaries. The Securityholder Representative shall cause the Company to elect the application of Section 6226 of the Code with respect to any imputed underpayment arising out of any Tax Proceeding relating to a Pass-Through Tax Return for any taxable period ending on or before the Closing Date.

(ii) Other than as relates to any matter for which the Securityholder Representative has the right to control pursuant to Section 6.9(d)(i), Purchaser shall have the right, at its own expense, to control any Tax Proceeding, initiate any claim for refund, and contest, resolve and defend against any assessment, notice of deficiency, or adjustment or proposed adjustment relating to Taxes with respect to the Company or any Company Subsidiary.

(e) Post-Closing Actions. To the extent related to a Pass-Through Tax Return of the Company or to the extent it otherwise relates to Taxes that would be required to be included on a Tax Return of a Unitholder or could increase the Tax liability of a Unitholder, neither Purchaser nor any of its Affiliates (including, after the Closing, the Company or any of its Subsidiaries) shall, without the prior written consent of the Securityholder Representative, (i) make, change or revoke any Tax election affecting a taxable period (or portion thereof) ending on or before the Closing Date of the Company or any Subsidiary, (ii) amend, refile or otherwise modify (or grant an extension of any applicable statute of limitations with respect to) any Pass-Through Tax Return of the Company or any Subsidiary relating to a taxable period (or portion thereof) ending on or before the Closing Date, or (iii) file or request any ruling with respect to Taxes or Pass-Through Tax Returns of the Company or any Subsidiary, or enter into any voluntary disclosure with any Governmental Entity regarding any Tax or Pass-Through Tax

Returns of the Company or any Subsidiary, in each case relating to a taxable period (or portion thereof) ending on or before the Closing Date) or (iv) take any action that results in any increased Tax liability or reduction of any Tax asset of any Unitholder in respect of a taxable period ending on or before the Closing Date.

Section 6.10 **Preservation of Records**. Purchaser shall, and shall cause the Surviving Entity to, preserve and keep the records held by them relating to the respective businesses of the Company and its Subsidiaries for a period of seven (7) years following the Closing Date (or longer if required by applicable Law) and during such period shall make such records (or copies) and reasonably appropriate personnel available, at reasonable times and upon reasonable advance notice, to the Securityholder Representative or any Unitholder as may be reasonably required by such party in connection with any insurance claims by, legal proceedings or Tax audits against, governmental investigations of, or compliance with applicable Laws by, the Securityholder Representative or the Unitholders or any of their Affiliates.

Section 6.11 **Listing**. Purchaser shall promptly prepare and submit, or cause to be prepared and submitted, to the NYSE a listing application covering the Parent Class A Shares issuable in the Merger, and shall use reasonable best efforts to obtain, prior to the Effective Time, approval for the listing of such Parent Class A Shares, subject to official notice of issuance, and the Company shall cooperate with Purchaser with respect to such listing.

Section 6.12 **No Parent Stockholder Approval**. Parent shall not take any action which would cause the vote of the holders of any class or series of capital stock or other equity interests of Parent to be necessary to adopt this Agreement or to consummate any of the Transactions, including the issuance of the Parent Class A Shares or Purchaser Units to be issued in the Transaction.

Section 6.13 **Escrow Agreement and Paying Agent Agreement**. At the Closing, each of Purchaser and the Securityholder Representative shall duly execute and deliver to the other, and shall use their reasonable best efforts to cause the Escrow Agent and the Paying Agent to duly execute and deliver to Purchaser and the Securityholder Representative, the Escrow Agreement and the Paying Agent Agreement, respectively.

Section 6.14 **Related Party Transactions**. On or prior to the Closing, the Company and its Subsidiaries shall (i) terminate any Contracts with Unitholders that are not Company Employees and their respective Affiliates, except for those set forth on Section 6.14 of the Company Disclosure Schedule, and (ii) deliver releases executed by Unitholders that are not Company Employees providing that, except as otherwise set forth herein, no further payments are due, or may become due, under or in respect of any such terminated Contracts.

Section 6.15 **No Solicitation**. During the pre-Closing period, the Company shall not, and not authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding a transaction for the sale of ten percent (10%) or more of the equity securities, assets or businesses of the Company or any of its Subsidiaries (an "**Acquisition Proposal**"), (ii) participate in any discussions or negotiations with, or provide any information to, any Person (other than Purchaser or any of its Affiliates) relating to or in connection with an Acquisition Proposal; or (iii) enter into any agreements, understandings or arrangements (whether or not binding) relating to or in connection with an Acquisition Proposal.

Section 6.16 **Notification**. From the date of this Agreement until the earlier of the Closing or the termination of this Agreement pursuant to Section 8.1, each party will promptly notify the others of the occurrence or non-occurrence of any event, the occurrence or non-occurrence of which would reasonably be likely to cause the failure of a condition set forth in Article VII. This Section 6.16 and any information provided hereunder will not, and will not be deemed to, limit, modify or otherwise affect any representation or warranty contained herein, the conditions to the obligations of the parties to consummate the Transactions or any party's rights hereunder (including rights under Article VII). Between the date of this Agreement and the Closing Date, (i) the Company shall, subject to Law and any applicable confidentiality restrictions, inform Purchaser prior to entering into a new engagement letter, customer contract or any other similar type of agreement, and (ii) the Company and Purchaser will consult with each other periodically or otherwise establish appropriate procedures to assess, in a manner that comports with Law and any applicable confidentiality obligations, whether any actual or potential conflicts of interest could arise from entering into new client engagements, and in the event such an actual or potential conflict is identified, the Company and Purchaser shall use their respective reasonable efforts to prepare an integration plan, consistent with Law, whereby such actual or potential conflict would be addressed.

Section 6.17 **Parent Contribution**. Parent shall contribute to Purchaser all Parent Class A Shares required to be delivered to any Person pursuant to this Agreement within a timeframe that would permit Purchaser to deliver such Parent Class A Shares on the timeframes required by this Agreement and in accordance with Purchaser's covenants and obligations hereunder.

Section 6.18 **General Partner Actions**. Parent, as the general partner of Purchaser, shall, take all steps necessary in furtherance of the admission as limited partners of Purchaser at the Closing all Unitholders that receive Purchaser Units in connection with the Transactions.

ARTICLE VII

CONDITIONS OF CLOSING

Section 7.1 **Conditions to Obligations of Each Party**. The respective obligations of each party to consummate the Transactions are subject to the fulfillment on the Closing Date of each of the following conditions:

(a) there shall not be any Law in effect making illegal the consummation of the Transactions, and there shall not be any Governmental Order in effect prohibiting the consummation of the Transactions; and

(b) any required waiting periods (including any extension thereof) applicable to the consummation of the Transactions under the HSR Act shall have terminated or expired.

Section 7.2 **Additional Conditions to Obligations of Purchaser and Merger Sub**. The obligations of Purchaser and Merger Sub to consummate the Transactions are subject to the fulfillment, on the Closing Date, of each of the following conditions (any or all of which may be waived by Purchaser in whole or in part in its sole discretion):

(a) (i) Subject to Section 2.2(b), the representations and warranties set forth in Section 4.2, Section 4.5(a), and Section 4.5(b) shall be true and correct in all material respects on the date hereof and as of the Closing Date as though made as of the Closing Date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date) and (ii) all of the representations and warranties contained in Article IV other than those set forth in clause (i) hereof shall be true and correct (without (other than in the case of the representation contained in Section 4.8(b)) giving effect to any materiality or "Company Material Adverse Effect" qualifications set forth therein) on the date hereof and as of the Closing Date as though made as of the Closing Date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date), except in the case of clause (ii), where the failure of such representations or warranties to be true and correct has not had, and would not be reasonably expected to have, a Company Material Adverse Effect;

(b) The Company shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by the Company on or prior to the Closing Date ;

(c) Purchaser shall have received (i) a certificate from the Company dated as of the Closing Date which complies with the requirements of Treasury Regulation Section 1.1445- 11T(d)(2), certifying that the transactions contemplated hereby are exempt from withholding under Section 1445 of the Code and (ii) either (A) an affidavit of each Unitholder, pursuant to Section 1446(f)(2) of the Code and complying with the requirements of Section 6.01 of IRS Notice 2018-29, stating, under penalty of perjury, its United States taxpayer identification number and that it is not a foreign person or an IRS Form W-9 from each Unitholder or (B) a certification from the Company dated as of the Closing Date which complies with the requirements of Section 7.03 of IRS Notice 2018-29, certifying the amount of the Unitholder's share of the Company's partnership liabilities; provided that for the avoidance of doubt, in the event the Company fails to deliver any such certificate or any Unitholder fails to deliver any such affidavit, the sole recourse of Purchaser shall be to withhold on payments of the Estimated Closing Consideration pursuant to Section 2.8 as required by Law;

(d) Purchaser shall have received a certificate of an executive officer of the Company that the conditions set forth in subsections (a) and (b) of this Section 7.2 have been satisfied, which certificate, as to Section 7.2(a), shall be limited to the matters not waived pursuant to Section 2.2(b) to the extent an officer's certificate shall have been previously delivered pursuant to Section 2.2(b);

(e) The Chief Executive Officer shall be actively employed with the Company or its Subsidiaries as of the Closing Date, other than, during the period on or after the date that is five (5) days after the Satisfaction Date, due to a termination as a result of the Chief Executive Officer's death or disability, and the Chief Executive Officer shall not have given written notice to the Company or any of its Subsidiaries providing that such employee intends to terminate his employment, in each case other than as a result of an action taken by Purchaser or its Affiliates; and

(f) The Management Holdings Assignment shall have occurred and shall be in full force as of the Closing Date, and each of the Management Holdings Entities shall have delivered to Purchaser evidence, in form reasonably satisfactory to Purchaser, of the effectiveness of such assignment.

Section 7.3 **Additional Conditions to Obligations of the Company**. The obligations of the Company to consummate the Transactions are subject to the fulfillment, on the Closing Date, of each of the following conditions (any or all of which may be waived by such party in whole or in part in its sole discretion):

(a) the representations and warranties of Parent, Purchaser and Merger Sub contained in this Agreement shall be true and correct (without giving effect to any materiality or "Parent Material Adverse Effect" qualifications set forth therein) on the date hereof and as of the Closing Date as though made as of the Closing Date (or, in the case of representations and warranties that address matters only as of a particular date, as of such date) except to the extent that the facts, events and circumstances that cause such other representations and warranties to not be true and correct as of such dates would not prevent or materially delay the consummation of the Transactions;

(b) Parent, Purchaser and Merger Sub shall have performed or complied in all material respects with all agreements and covenants required by this Agreement to be performed or complied with by Purchaser and Merger Sub on or prior to the Closing Date;

(c) The Company shall have received a certificate of an executive officer of Parent and an executive officer of Purchaser that the conditions set forth in subsections (a) and (b) of this Section 7.3 have been satisfied;

(d) The Parent Class A Shares issuable in the Merger shall have been authorized for listing on the NYSE upon official notice of issuance; and

(e) Purchaser shall have offered (with the cooperation of the Company) Award Agreements executed by Purchaser to each Participant allocated an award pursuant to Section 6.2(e) of the Company Disclosure Schedule, consistent with the allocations set forth on Section 6.2(e) of the Company Disclosure Schedule, as may be modified pursuant to Section 6.2(e), which offer shall be automatically withdrawn if not accepted by executing and delivering a countersigned Award Agreement to Purchaser prior to the Closing.

ARTICLE VIII

TERMINATION

Section 8.1 **Termination of Agreement**. This Agreement may be terminated at any time prior to the Closing Date as follows:

(a) at the election of the Company or Purchaser on or after December 31, 2018 (the "**Outside Date**"), if the Closing shall not have occurred by 5:00 p.m. New York time on such date; provided, however, that neither the Company nor Purchaser may terminate this Agreement pursuant to this Section 8.1(a) if it (or, in the case of Purchaser or Merger Sub) is in

material breach of any of its obligations hereunder and such material breach causes, or results in, either (i) the failure to satisfy the conditions to the obligations of the terminating party set forth in Article VII prior to the Outside Date, or (ii) the failure of the Closing to have occurred prior to the Outside Date;

(b) by mutual written consent of the Company and Purchaser;

(c) by the Company or Purchaser if there shall be in effect a final, nonappealable Governmental Order of a Governmental Entity having competent jurisdiction over the business of the Company and its Subsidiaries (other than any portion thereof that is not material) prohibiting the consummation of the Transactions; provided, that the party so requesting termination and its Affiliates referenced therein shall have complied with Section 6.6 in all material respects.

(d) by Purchaser if (i) none of Purchaser or Merger Sub are in material breach of any of their respective obligations hereunder and (ii) the Company is in material breach of any of its representations, warranties or obligations hereunder that would render any condition set forth in Section 7.2(a) or Section 7.2(b) not to be satisfied, and such breach is either (A) not capable of being cured prior to the Outside Date or (B) if curable, is not cured within the earlier of (x) twenty (20) Business Days after the giving of written notice by Purchaser to the Company and (y) prior to the Outside Date; and

(e) by the Company if (i) the Company is not in material breach of any of its obligations hereunder and (ii) Purchaser and Merger Sub are in material breach of any of their respective representations, warranties or obligations hereunder that would render any condition set forth in Section 7.3(a) or Section 7.3(b) not to be satisfied, and such breach is either (A) not capable of being cured prior to the Outside Date or (B) if curable, is not cured within the earlier of (x) twenty (20) Business Days after the giving of written notice by the Company to Purchaser and (y) prior to the Outside Date.

For the avoidance of doubt, the failure to pay the Estimated Closing Consideration when payable under the terms of this Agreement is not subject to cure.

Section 8.2 **Procedure Upon Termination**. In the event of termination and abandonment by the Company or Purchaser, or both, pursuant to Section 8.1, written notice thereof shall be given to the other party or parties, and the Transactions shall be abandoned, without further action by the Company, any Unitholder, Purchaser or Merger Sub.

Section 8.3 **Effect of Termination**. In the event that this Agreement is validly terminated in accordance with Section 8.1, then each of the parties shall be relieved of its duties and obligations arising under this Agreement after the date of such termination and such termination shall be without liability to the Company or Purchaser; provided, however, that subject to the terms of this Section 8.3 , (i) no such termination shall (A) restrict the availability of specific performance, if any, set forth in Section 10.13 with respect to surviving obligations that are to be performed following such termination or (B) relieve any party hereto from liability for damages resulting from any Willful Breach and (ii) the provisions of Section 6.3, Section 6.4, this Article VIII, Section 9.1 and Article X shall remain in full force and effect and survive any

termination of this Agreement in accordance with its terms. For purposes of this Section 8.3, the term "**Willful Breach**" means a party's knowing and intentional material breach of any of its representations or warranties as set forth in this Agreement, or such party's material breach of any of its covenants or other agreements set forth in this Agreement, which material breach constitutes, or is a consequence of, a purposeful act or failure to act by such party with the knowledge that the taking of such act or failure to take such act would cause a material breach of this Agreement. Notwithstanding anything to the contrary in the foregoing sentence, a failure by Purchaser and Merger Sub to close in accordance with this Agreement when they are obligated to do so shall be deemed to be a Willful Breach.

ARTICLE IX

ADDITIONAL AGREEMENTS

Section 9.1 No Reliance.

(a) Except for the representations and warranties contained in Article IV and the representations and warranties of the Unitholders contained in the Letter of Transmittal, Purchaser and Merger Sub are acquiring the business of the Company and its Subsidiaries "As-Is, Where-Is", and none of the Company or any of its Subsidiaries or any of their respective Affiliates, directors, officers, employees, subsidiaries, controlling persons, agents or other Representatives or any other Person or Non-Recourse Party has made or makes or is authorized to make, and Purchaser hereby waives, any other express or implied representation or warranty, express or implied, whether written or oral, on behalf of the Company, its Subsidiaries or their respective Affiliates, directors, officers, employees, Subsidiaries, controlling persons, agents or other Representatives or any other Person.

(b) To the fullest extent permitted by applicable Law, except for the representations and warranties expressly made by the Company in Article IV and by the Unitholders in the Letter of Transmittal, none of the Company, its Subsidiaries or any other Person will have or be subject to any liability or indemnification obligation on any basis (including in contract or tort, under applicable federal or state securities Laws or otherwise) to Purchaser, Merger Sub or any other Person resulting from the sharing with Purchaser and Merger Sub or their Representative, or Purchaser's or Merger Sub's use of any information, documents, projections, forecasts or other materials made available to Purchaser or Merger Sub in the Electronic Data Room or management presentations (or omissions therefrom) in expectation of the Transactions or otherwise. Except for the representations and warranties expressly made by the Company in Article IV and expressly made by the Unitholders in the Letter of Transmittal, it is understood, and Parent, Purchaser and Merger Sub acknowledge that any cost estimates, projections or other predictions, any data, any financial information or any memoranda or offering materials or presentations provided or addressed to Parent, Purchaser or Merger Sub are not and shall not be deemed to be or to include representations and warranties of the Company or any of its Subsidiaries or Affiliates. Except for the representations and warranties expressly made by the Company in Article IV, Parent, Purchaser and Merger Sub acknowledge and agree, to the fullest extent permitted by applicable Law, to the Company's express disavowal and disclaimer of any other representations and warranties, whether made by the Company or any other Person on behalf of the Company, and of all liability and responsibility for any

representation, warranty, projections, forecasts or other materials made available to Parent, Purchaser or Merger Sub, including any opinion, information, projection, forecast or other information that may have been or may be provided to Parent, Purchaser or Merger Sub by any director, officer, employee, agent, consultant or other Representative of the Company or any of their respective Affiliates. In furtherance of the foregoing, and not in limitation thereof, Purchaser and Merger Sub specifically acknowledge and agree that none of the Company or any of its Subsidiaries or Affiliates or any Unitholder makes or has made any representation or warranty, express or implied, with respect to any financial projection or forecast delivered to Purchaser or Merger Sub with respect to the performance of the Company or any of its Subsidiaries either before or after the Closing Date. Purchaser acknowledges and agrees, on its own behalf and on behalf of Parent, Purchaser, Merger Sub and their Affiliates, that (i) such projections or forecasts are being provided solely for the convenience of Purchaser to facilitate its own independent investigation of the Company and its Subsidiaries, (ii) there are uncertainties inherent in attempting to make such projections or forecasts, (iii) Purchaser is familiar with such uncertainties and (iv) Purchaser is taking full responsibility for making its own evaluation of the adequacy and accuracy of all projections or forecasts (including the reasonableness of the underlying assumptions). Purchaser and Merger Sub acknowledge that they have conducted to their satisfaction their own independent investigation of the condition, operations and businesses of the Company and its Subsidiaries and, in making their determination to proceed with the Transactions, Purchaser and Merger Sub have been provided and have evaluated such documents and information as they have deemed necessary and have relied solely on the results of their own independent investigation and verification and the representations and warranties expressly made by the Company in Article IV or the Unitholders in their respective Letters of Transmittal.

(c) Parent, Purchaser, Merger Sub and their respective Affiliates, directors, officers, employees, subsidiaries, controlling persons, agents and other Representatives hereby acknowledge that, except for the representations and warranties expressly made by the Company in Article IV, no other statutory, express or implied representation or warranty, whether written or oral, concerning the Units, or the business, assets or liabilities of the Company and its Subsidiaries, the execution, delivery or performance of the Transactions or any other matter, including any implied warranties of merchantability and implied warranties of fitness for a particular purpose, is or has been made.

(d) Notwithstanding anything to the contrary contained in this Agreement, in no event shall this Section 9.1 or any other provision of this Agreement be in any way deemed a limitation of the recourse of the Company, the Securityholder Representative (on behalf of the Unitholders) or Purchaser in the event of Fraud.

Section 9.2 **Survival**. The representations, warranties, covenants and agreements of the parties contained in this Agreement shall terminate effective as of the Closing and there shall be no liability in respect thereof, whether such liability has accrued prior to or after the Closing, on the part of any party, its Affiliates or any of their respective officers, directors, agents or other Representatives, except for those covenants and agreements that by their terms apply or are to be performed in whole or in part at or after the Closing, which shall survive in accordance with their terms and, if no term is specified, then for the longest period permitted by Law, and Article X. Furthermore, without limiting the generality of this Section 9.2, no Action will be brought, encouraged, supported or maintained by, or on behalf of,

Purchaser, Merger Sub, their respective Affiliates, or the Company (and, after the Closing Date, the Surviving Entity) or any of its Subsidiaries or Affiliates against any Company Party, and no recourse will be sought or granted against any of them, by virtue of, or based upon, any alleged misrepresentation or inaccuracy in, or breach of, any of the representations, warranties, covenants or agreements of the Company or any of its Subsidiaries or Affiliates or any other Person set forth or contained in this Agreement or any other document contemplated hereby or any certificate, instrument, opinion, agreement or other document of the Company or any of its Subsidiaries or Affiliates or any other Person delivered hereunder, the subject matter of this Agreement or any other document contemplated hereby, the Transactions, the business, the ownership, operation, management, use or control of the business of the Company or any of its Subsidiaries, any of their assets, or any actions or omissions at, or prior to, the Closing Date; provided, that in no event shall this Section 9.2 be in any way deemed a limitation of the recourse of the Company, the Securityholder Representative (on behalf of the Unitholders) or Purchaser in the event of Fraud.

Section 9.3 **Release**. Effective upon the Closing, to the fullest extent permitted by applicable Law, each of Parent, Purchaser, the Surviving Entity and their Subsidiaries, in each case on behalf of itself and its respective controlled Affiliates (collectively, the "**Releasers**"), hereby knowingly, willingly, irrevocably and expressly waives, acquits, remises, discharges and forever releases each Company Party and its respective successors and assigns from any and all liabilities and obligations to such Releasers of any kind or nature whatsoever, solely in the capacity as a Unitholder or a director or officer of the Company or any of its Subsidiaries prior to the Effective Time, in each case whether absolute or contingent, liquidated or unliquidated, known or unknown, matured or unmatured or determined or determinable, and whether arising under any Law or Contract (other than this Agreement, the Transaction Agreements and any of the other agreements executed and delivered in connection herewith, but, in each case, only to the extent set forth herein or therein) or otherwise at law or in equity, relating in any way to the Company or any of its Subsidiaries or their relationships therewith, and each of the Releasers hereby agrees that it will not seek to recover any amounts in connection therewith or thereunder from any Company Party in their capacity as a Unitholder or a director or officer of the Company or any of its Subsidiaries prior to the Effective Time and their respective successors and assigns (except as provided for in this Agreement, the Transaction Agreements or any of the other agreements executed and delivered in connection herewith, but, in each case, only to the extent set forth herein or therein).

Section 9.4 **No Subrogation**. Purchaser and its Affiliates will not enter into or amend, waive or otherwise modify any insurance policy in any manner that would allow the insurer thereunder or any other Person to subrogate or otherwise make or bring any proceeding against any Unitholder or any Affiliate thereof or any past, present or future director, manager, officer, employee or advisor of any of the foregoing based upon, arising out of, or related to this Agreement, or the negotiation, execution or performance of this Agreement.

ARTICLE X

MISCELLANEOUS

Section 10.1 **Assignment; Binding Effect**. This Agreement and the rights, interests or obligations hereunder are not assignable unless such assignment is consented to in writing by both Purchaser and the Company and, subject to the preceding clause, this Agreement and all the provisions hereof shall be binding upon and shall inure to the benefit of the parties and their respective successors and permitted assigns. Notwithstanding the foregoing, Purchaser and Merger Sub may assign their respective rights and obligations hereunder to a wholly owned Subsidiary of Parent without such consent; provided that, no such assignment shall (a) adversely impact the Company or the Unitholders, (b) relieve Purchaser or Merger Sub of their respective obligations under this Agreement or (c) result in any delay in the consummation of the Transactions.

Section 10.2 **Governing Law; Jurisdiction**.

(a) This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any jurisdictions other than those of the State of Delaware.

(b) Each of the parties hereto (i) irrevocably and unconditionally submits to the exclusive personal jurisdiction of the Court of Chancery of the State of Delaware, New Castle County, or, if that court does not have jurisdiction, a federal court sitting in Wilmington, Delaware in any Action arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement, (ii) agrees that all claims in respect of such Action may be heard and determined in any such court, (iii) irrevocably and unconditionally agrees that it shall not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court and (iv) agrees not to bring any Action arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement in any other court. Each of the parties hereto irrevocably and unconditionally waives any defense of inconvenient forum to the maintenance of any Action so brought and waives any bond, surety or other security that might be required of any other party with respect thereto. Any party hereto may make service on another party by sending or delivering a copy of the process to the party to be served at the address and in the manner provided for the giving of notices in Section 10.4. Nothing in this Section 10.2, however, shall affect the right of any party to serve legal process in any other manner permitted by Law.

Section 10.3 **WAIVER OF JURY TRIAL** . EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THE NEGOTIATION, EXECUTION, PERFORMANCE, AND ENFORCEMENT OF THIS AGREEMENT OR ANY OTHER AGREEMENT ENTERED INTO IN CONNECTION HEREWITH AND FOR ANY COUNTERCLAIM WITH RESPECT THERETO. EACH OF THE PARTIES HERETO (I)

CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (II) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT OR ANY OF THE TRANSACTIONS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 10.3.

Section 10.4 **Notices** . All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (a) when received if delivered personally, (b) when sent by facsimile or email (which is confirmed by the intended recipient), unless transmitted after 5:00 P.M. local time or on a day other than on a Business Day, in which case on the next Business Day (c) on the next Business Day when sent by overnight courier service and (d) when received if mailed by certified or registered mail, return receipt requested, with postage prepaid, in each case, to the parties at the following addresses (or at such other address, facsimile number or person for a party as shall be specified by like notice):

If to the Company (prior to the Effective Time), to:

CamberView Partners Holdings, LLC
330 Madison Avenue, 20th Floor
New York, New York 10017
Attention: General Counsel
E-mail: christopher.nordquist@camberview.com

If to the Securityholder Representative, to:

CC CVP Partners Holdings, L.L.C.
c/o Corsair Capital LLC
717 Fifth Avenue, 24th Floor
New York, New York 10022
Attention: D.T. Ignacio Jayanti
Jeremy S. Schein
E-mail: jayanti@corsair-capital.com
schein@corsair-capital.com

with copies, in the case of notice to the Company (prior to the Effective Time) or the Securityholder Representative, to:

Simpson Thacher & Bartlett LLP
425 Lexington Avenue
New York, New York 10017
Facsimile: (212) 455-2502
Attention: Maripat Alpuche
E-mail: malpuche@stblaw.com

If to Purchaser, Merger Sub or the Company (on or after the Effective Time), to:

PJT Partners Holdings LP
280 Park Avenue
New York, New York 10017
Attention: General Counsel
E-mail: cuminale@pjtpartners.com

with copies, in the case of notice to Purchaser, Merger Sub or the Company (on or after the Effective Time), to:

Weil, Gotshal & Manges LLP
767 Fifth Avenue
New York, New York 10153
Facsimile: (212) 310-8007
Attention: Michael J. Aiello
Matthew J. Gilroy
E-mail: michael.aiello@weil.com
matthew.gilroy@weil.com

or to such other address, facsimile number or person as a party shall have last designated by such notice to the other parties.

Section 10.5 **Headings**. The headings contained in this Agreement are inserted for convenience only and shall not be considered in interpreting or construing any of the provisions contained in this Agreement.

Section 10.6 **Fees and Expenses**. Except as otherwise specified in this Agreement, each party shall bear its own costs and expenses (including investment advisory and legal fees and expenses) incurred in connection with this Agreement and the Transactions; provided, however, that Purchaser shall be responsible for all fees in connection with any filing pursuant to the HSR Act.

Section 10.7 **Entire Agreement** . This Agreement (including the Exhibits and Schedules), together with the other Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements and understandings between the parties with respect to such subject matter; provided, however, this Agreement shall not supersede the terms and provisions of the Confidentiality Agreement, which shall survive and remain in effect until expiration or termination thereof in accordance with its terms and this Agreement.

Section 10.8 **Interpretation**.

(a) When a reference is made in this Agreement to an Article, Section, Exhibit or Schedule, such reference shall be to an Article, Section, Exhibit or Schedule of or to this Agreement, unless otherwise indicated.

(b) Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

(c) When a reference in this Agreement is made to a "party" or "parties," such reference shall be to a party or parties to this Agreement unless otherwise indicated.

(d) Unless the context requires otherwise, the terms "hereof," "herein," "hereby," "hereto" and derivative or similar words in this Agreement refer to this entire Agreement.

(e) Unless the context requires otherwise, words in this Agreement using the singular or plural number also include the plural or singular number, respectively, and the use of any gender herein shall be deemed to include the other genders.

(f) The words "to the extent" shall mean the degree to which a subject or other thing extends, and shall not simply mean "if".

(g) References in this Agreement to "dollars" or "$" are to U.S. dollars.

(h) For purposes of this Agreement, in determining whether a Unitholder is a "Company Employee" or "Key Employee" or Units are held by a "Company Employee" or "Key Employee", such determination shall be made for each member of the Management Holdings Entities as if such member of the Management Holdings Entities is a direct Unitholder or holder of Units and assuming that the Management Holdings Assignment has occurred and as if each Unit held by a family trust or other vehicle affiliated with such Company Employee or Key Employee were held directly.

Section 10.9 **Company Disclosure Schedule**. The Company Disclosure Schedule and the information and disclosures contained therein relate to and qualify certain of the representations, warranties, covenants and obligations made by the Company in this Agreement and shall not be construed or otherwise deemed to constitute, any representation, warranty, covenant or obligation of the Company or any other Person except to the extent explicitly provided in this Agreement and shall not be deemed to expand in any way the scope or effect of any of such representations, warranties, covenants or obligations. No reference to or disclosure of any item or other matter in the Company Disclosure Schedule shall be construed as an admission or indication, in and of itself, that such item represents a material exception or material fact, event or circumstance, that such item has had or would reasonably be expected to have a Company Material Adverse Effect, or that such item or other matter is required to be referred to or disclosed in the Company Disclosure Schedule. No reference in the Company Disclosure Schedule to any agreement or document, in and of itself, shall be construed as an admission or indication that such agreement or document is enforceable or currently in effect or that there are any obligations remaining to be performed or any rights that may be exercised

under such agreement or document. No disclosure in the Company Disclosure Schedule relating to any possible breach or violation of any agreement, law or regulation, in and of itself, shall be construed as an admission or indication that any such breach or violation exists or has actually occurred. The Company Disclosure Schedule and the information and disclosures contained in the Company Disclosure Schedule are intended only to qualify and limit the representations, warranties and covenants of the Company contained in the Agreement and shall not be deemed to expand in any way the scope or effect of any of such representations, warranties or covenants. The information contained in the Company Disclosure Schedule is confidential, proprietary information of the Company, and Purchaser and Merger Sub shall be obligated to maintain and protect such confidential information pursuant to this Agreement. The Company Disclosure Schedule is arranged in sections corresponding to the Sections in the Agreement and any items or matters set forth in one section or subsection of the Company Disclosure Schedule shall be deemed to apply to and qualify the Section or subsection of this Agreement to which it corresponds and each other Section or subsection of the Agreement to the extent the relevance of such items or matters to such other Section or subsection of this Agreement is reasonably apparent. The bold-faced headings contained in the Company Disclosure Schedule are included for convenience and reference only, and are not intended to limit the effect of the disclosures contained in the Company Disclosure Schedule or to expand, modify or influence the scope of the information required to be disclosed in the Company Disclosure Schedule or the interpretation of this Agreement. In disclosing the information in the Company Disclosure Schedule, the Company expressly does not waive any attorney-client privilege or other similar privilege associated with such information or any protection afforded by the work-product doctrine or other similar doctrine with respect to any of the matters disclosed or discussed therein.

Section 10.10 **Waiver and Amendment**. This Agreement may be amended, modified or supplemented only by a mutual written agreement executed and delivered by the Company, the Securityholder Representative and Purchaser. Except as otherwise provided in this Agreement, any failure of any party to comply with any obligation, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

Section 10.11 **Counterparts**. This Agreement may be executed in any number of counterparts, including by means of facsimile or email in Portable Document Format, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement.

Section 10.12 **Third-Party Beneficiaries** . This Agreement shall be binding upon and inure solely to the benefit of, and be enforceable by, only the parties hereto and their respective successors and permitted assigns except (a) as set forth in Section 6.7, Section 10.16 and Section 10.17, (b) for the right of the Securityholder Representative and the Company on behalf of the Unitholders to pursue damages (including claims for damages based on loss of the economic benefits of the Transactions, including Article III, to the Unitholders) in the event the Effective Time has not occurred as a result of Purchaser's or Merger Sub's Willful Breach of this Agreement (whether or not this Agreement has been terminated pursuant to Section 8.1) or (c)

after the Effective Time, if Purchaser shall not have made payments in accordance with Article III, the right of each Unitholder to enforce directly, or through the Securityholder Representative, its right to receive the amounts payable pursuant to Article III , each of which rights set forth in clauses (a), (b) and (c) hereof are hereby expressly acknowledged and agreed to by Purchaser and Merger Sub, nothing herein, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

Section 10.13 **Remedies**. The parties agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that the parties hereto do not perform the provisions of this Agreement (including failing to take such actions as are required of them hereunder to consummate the Transactions) in accordance with its specified terms or otherwise breach such provisions. It is accordingly agreed that the parties shall be entitled to seek an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, this being in addition to any other remedy to which they are entitled at Law or in equity and shall waive any requirement for the securing or posting of any bond in connection with any such remedy. Each of the parties agrees that it will not oppose the granting of an injunction, specific performance and other equitable relief on the basis that the party seeking the injunction, specific performance and other equitable relief has an adequate remedy of Law. The remedies available to the Company pursuant to this Section 10.13 shall be in addition to any other remedy to which they are entitled at Law or in equity, and the election to pursue an injunction or specific performance shall not restrict, impair or otherwise limit the Company from seeking to obtain such other remedies.

Section 10.14 **Severability**. If any provision of this Agreement or the application of any such provision to any Person or circumstance shall be held invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision hereof; provided; that the parties intend that the remedies and limitations on remedies contained in this Agreement to be construed as integral provisions of this Agreement and that such remedies and limitations shall not be severable in any manner that increases a party's liability or obligations hereunder

Section 10.15 **Mutual Drafting**. The parties hereto are sophisticated and have been represented by attorneys throughout the negotiation of the Transactions who have carefully negotiated the provisions hereof. As a consequence, the parties do not intend that the presumptions of laws or rules relating to the interpretation of contracts against the drafter of any particular clause should be applied to this Agreement or any agreement or instrument executed in connection herewith, and therefore waive their effects.

Section 10.16 Securityholder Representative.

(a) Pursuant to the adoption of this Agreement by the Company, it will be deemed to have irrevocably appointed, authorized and empowered the Securityholder Representative to act as a representative for the benefit of each Unitholder as the exclusive agent and attorney-in-fact with the power and authority to act on behalf of each Unitholder in connection with and to facilitate the consummation of the Transactions, which shall include the power and authority:

(i) to execute and deliver such waivers and consents in connection with this Agreement and the other Transaction Agreements and the consummation of the Transactions as the Securityholder Representative, in its sole discretion, may deem necessary or desirable, including any amendments or modifications to this Agreement or the other Transaction Agreements;

(ii) to enforce and protect the rights and interests of the Unitholders and to enforce and protect the rights and interests of the Securityholder Representative arising out of or under or in any manner relating to this Agreement and the other Transaction Agreements and the other agreements contemplated hereby and thereby or the Transactions, and to take any and all actions which the Securityholder Representative believes are necessary or appropriate under this Agreement or the other Transaction Agreements for and on behalf of the Unitholders. Without limiting the generality of the foregoing, the Securityholder Representative may (A) assert any claim or institute any Action, (B) investigate, defend, contest or litigate any Action initiated by Purchaser or any other Person, or by any Governmental Entity against the Securityholder Representative and/or the Unitholders, (C) receive process on behalf of any or all Unitholders in any such Action and compromise or settle on such terms as it shall determine to be appropriate, and give receipts, releases and discharges with respect to, any such Action, (D) file any proofs of debt, claims and petitions as it may deem advisable or necessary; and (E) file and prosecute appeals from any decision, judgment or award rendered in any such Action (it being understood that the Securityholder Representative shall not have any obligation to take any such actions, and shall not have any liability for any failure to take any such actions);

(iii) to refrain from enforcing any right of the Unitholders, arising out of or under or in any manner relating to this Agreement or the other documents contemplated hereby; provided, however, that no such failure to act on the part of the Securityholder Representative, except as otherwise provided in this Agreement or the other Transaction Agreements, shall be deemed a waiver of any such right or interest by the Securityholder Representative or by the Unitholders unless such waiver is in writing signed by the waiving party or by the Securityholder Representative;

(iv) to make, execute, acknowledge and deliver all such other agreements, guarantees, orders, receipts, endorsements, notices, requests, instructions, certificates, stock powers, letters and other writings, and, in general, to do any and all things and to take any and all action that the Securityholder Representative, in its sole and absolute discretion, may consider necessary or proper or convenient in connection with or to carry out the Transactions, and all other agreements, documents or instruments referred to herein or therein or executed in connection herewith and therewith;

(v) to give and receive all notices and communications to be given or received under this Agreement and to receive service of process in connection with any claims under this Agreement and the other Transaction Agreements, including service of process in connection with any arbitration;

(vi) to determine whether to deliver a Notice of Disagreement and to resolve any disputes regarding the Closing Statement; and

(vii) to make or receive any payments or to pay any expenses under or in connection with this Agreement or the other Transaction Agreements on behalf of the Unitholders, including by using the Securityholder Representative Funds (and any interest or earnings thereon) to satisfy costs, expenses and/or liabilities of the Securityholder Representative in connection with matters related to this Agreement or the other Transaction Agreements (the "**Securityholder Representative Expenses**"), with any balance of the Securityholder Representative Funds not used for such purposes to be disbursed and paid, at such time as the Securityholder Representative determines, in its sole discretion, that no additional Securityholder Representative Expenses shall become due and payable, to the Unitholders in accordance with Section 3.2(a) and Section 3.2(c)(ii).

(b) Notwithstanding any provision of this Agreement to the contrary, the consent of the Unitholder(s) comprising the Class A Majority Interest (as defined in the LLC Agreement) shall be required for the Securityholder Representative to make any compromise, settlement, or agreement that would require the payment of any amounts not expressly provided for in this Agreement by the Unitholders.

(c) Purchaser, Merger Sub and the Surviving Entity may rely upon all actions taken or omitted to be taken by the Securityholder Representative pursuant to this Agreement and the other Transaction Agreements, all of which actions or omissions shall be legally binding upon the Unitholders.

(d) The grant of authority provided for herein (i) is coupled with an interest and shall be irrevocable and survive the death, incompetency, bankruptcy or liquidation of any Unitholder, and (ii) shall survive the consummation of the Transactions and by the other Transaction Agreements.

(e) All actions taken by the Securityholder Representative under this Agreement and the other Transaction Agreements shall be binding upon all Unitholders and their respective successors and assigns as if expressly confirmed and ratified in writing by each of them. Purchaser shall serve notice to, and deal exclusively with, the Securityholder

Representative with respect to any and all matters concerning any of the Unitholders arising out of or related to this Agreement or the other Transaction Agreements and all other agreements or instruments contemplated hereby or thereby or the Transactions, and shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document purported by the Securityholder Representative to have been executed by or on behalf of the Unitholders as fully binding upon them. If the Securityholder Representative shall resign, dissolve, cease to exist or otherwise be unable to fulfill its responsibilities as representative of the Unitholders, the Unitholders shall, within ten (10) days after the occurrence of such event, appoint (by majority vote or consent of the Unitholders) a successor representative and, promptly thereafter, shall notify the Unitholders of the identity of such successor. Any such successor shall succeed to the rights and obligations of the Securityholder Representative as representative of the Unitholders hereunder. If for any reason there is no Securityholder Representative at any time, all references herein or in any other agreement or instrument contemplated hereby to the Securityholder Representative in which the Securityholder Representative is authorized to act on behalf of the Unitholders shall be deemed to refer to the Unitholders. Each Unitholder, upon the execution of a Letter of Transmittal, agrees that any action taken by the Securityholder Representative on its behalf pursuant to the terms of this Agreement, the other Transaction Agreements and the other agreements and instruments contemplated hereby and thereby shall be fully binding on them.

(f) By the execution of a Letter of Transmittal each Unitholder irrevocably shall agree that the Securityholder Representative shall have no liability to any Unitholder with respect to actions taken or omitted to be taken in its capacity as the Securityholder Representative and that the Securityholder Representative shall be under no obligation to take any action in its capacity as the Securityholder Representative, unless the Securityholder Representative has been provided with funds, security or indemnities which, in the sole determination of Securityholder Representative, are sufficient to protect the Securityholder Representative against the costs, expenses and liabilities which may be incurred by the Securityholder Representative in responding to such direction or taking such action. By the execution of a Letter of Transmittal, each Unitholder irrevocably shall agree that the Securityholder Representative shall be entitled to engage such counsel, experts and other agents and consultants as it shall deem necessary in connection with exercising its powers and performing its function hereunder and (in the absence of bad faith on the part of the Securityholder Representative) shall be entitled to conclusively rely on the opinions and advice of such Persons. Without limiting Section 10.16(a)(vii), by the execution of a Letter of Transmittal each Unitholder irrevocably shall agree that the Securityholder Representative shall be entitled to reimbursement from the Securityholder Representative Funds for all expenses, disbursements and advances (including fees and disbursements of its counsel, experts and other agents and consultants) incurred by the Securityholder Representative in such capacity, and shall be entitled to indemnification from the Unitholders against any loss, liability or expenses arising out of actions taken or omitted to be taken in its capacity as the Securityholder Representative (except for those arising out of Securityholder Representative's gross negligence or willful misconduct), including the costs and expenses of investigation and defense of claims. To the extent the Securityholder Representative Funds are insufficient to cover the Securityholder Representative's costs, expenses and liabilities hereunder, the Unitholders will indemnify the Securityholder Representative in accordance with the immediately preceding sentence on a pro rata basis based on their respective equity interest in the Company as of immediately prior to the Closing.

(g) The parties acknowledge that the Securityholder Representative's obligations under this Section 10.16 are solely as a representative of the Unitholders and that the Securityholder Representative shall have no personal responsibility for any expenses incurred by it in such capacity.

Section 10.17 **No Recourse**. Notwithstanding anything that may be expressed or implied in this Agreement or any document or instrument delivered in connection herewith (other than the Letters of Transmittal), by its acceptance of the benefits of this Agreement, the parties each covenants, agrees and acknowledges that no Persons other than Parent, Purchaser, Merger Sub and the Company have any liabilities, obligations, commitments (whether known or unknown or whether contingent or otherwise) hereunder and that, notwithstanding that the parties may be partnerships, corporations or limited liability companies, no party has any right of recovery under this Agreement, or any claim based on such liabilities, obligations, commitments against, and no personal liability shall attach to, the former, current or future equity holders, controlling persons, directors, officers, employees, agents, Affiliates, members, managers or general or limited partners of any of the parties or any former, current or future stockholder, controlling person, director, officer, employee, general or limited partner, member, manager, Affiliate or agent of any of the foregoing (collectively, but not including the parties, each a "**Non-Recourse Party**"), through the parties or otherwise, whether by or through attempted piercing of the corporate veil, by or through a claim by or on behalf of any party against any Non-Recourse Party; by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute, regulation or Law, or otherwise.

Section 10.18 **Representation** . Purchaser agrees, on its own behalf and on behalf of each of Merger Sub and their respective directors, officers, managers, employees and Affiliates, that, following the Closing, Simpson Thacher & Bartlett LLP may serve as counsel to the Unitholders and their Affiliates in connection with any matters related to this Agreement and the contemplated transactions, including any litigation, claim or obligation arising out of or relating to this Agreement or the contemplated transactions notwithstanding any representation by Simpson Thacher & Bartlett LLP prior to the Closing Date of the Company. Purchaser and the Company hereby (a) waive any claim they have or may have that Simpson Thacher & Bartlett LLP has a conflict of interest or is otherwise prohibited from engaging in such representation and (b) agree that, in the event that a dispute arises either before or after the Closing between Purchaser and any of the Unitholders or any of their respective Affiliates, Simpson Thacher & Bartlett LLP may represent the Unitholders or any of their respective Affiliates in such dispute even though the interests of such Person(s) may be directly adverse to Purchaser or the Company and even though Simpson Thacher & Bartlett LLP may have represented the Company in a matter substantially related to such dispute. Purchaser and the Company also further agree that, as to all communications prior to Closing among Simpson Thacher & Bartlett LLP and the Company, the Unitholders or their respective Affiliates or Representatives that relate in any way to the Transactions, the attorney-client privilege and the expectation of client confidence belongs to the Unitholders and may be controlled by the Unitholders and shall not pass to or be claimed by Purchaser or the Company. Notwithstanding the foregoing, in the event that a dispute arises between Purchaser, the Company and a third party other than a party to this Agreement after the Closing, the Company may assert the attorney-client privilege to prevent disclosure of confidential communications by Simpson Thacher & Bartlett LLP to such third party; provided, however, that the Company may not waive such privilege without the prior written consent of the Securityholder Representative.

Section 10.19 **Parent Guaranty**. Parent hereby unconditionally and irrevocably guarantees to the Company and the Unitholders the due and punctual payment and performance by Purchaser of Purchaser's obligations and liabilities under this Agreement, including the payment of Parent Class A Shares pursuant to Article III of this Agreement. The foregoing sentence is an absolute, unconditional and continuing guaranty of the full and punctual discharge and performance of such obligations.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CAMBERVIEW PARTNERS HOLDINGS, LLC

By: /s/ Abe M. Friedman
Name: Abe M. Friedman
Title: Chief Executive Officer

PJT PARTNERS HOLDINGS LP

By: /s/ James W. Cuminale
Name: James W. Cuminale
Title: General Counsel

BLUE MERGER SUB LLC

By: /s/ James W. Cuminale
Name: James W. Cuminale
Title: General Counsel

PJT PARTNERS INC.
(EXCEPT FOR PURPOSES OF ARTICLE II AND ARTICLE III)

By: /s/ James W. Cuminale
Name: James W. Cuminale
Title: General Counsel

CC CVP PARTNERS HOLDINGS, L.L.C., SOLELY AS THE SECURITYHOLDER REPRESENTATIVE

By: /s/ D.T. Ignacio Jayanti
Name: D.T. Ignacio Jayanti
Title: Managing Partner

Annex A

Purchase Price Adjustment Principles

1. The Estimated Closing Statement and the Closing Statement shall be prepared from the books and records of the Company and its Subsidiaries on a consolidated basis using the same accounting methods, policies, principles, practices and procedures as were used in the preparation of the Latest Balance Sheet.

2. To the extent not otherwise addressed in item 1 above, the Estimated Closing Statement and the Closing Statement shall be prepared in accordance with GAAP as at the Closing Date.

3. No account shall be taken of events taking place after the Adjustment Time, and regard shall only be had to information available to the parties to this Agreement up to the date that the Notice of Disagreement is delivered by the Securityholder Representative to Purchaser.

4. The Closing Statement shall be prepared on the basis that the Company and its Subsidiaries are a going concern and shall exclude the effect of change of control or ownership of the Company or its Subsidiaries and will not take into account the effects of any post-Closing reorganizations or the post-Closing intentions or obligations of Parent or Purchaser.

5. The provisions of this Annex A shall be interpreted so as to avoid double counting (whether positive or negative) of any item to be included in the calculation of the Estimated Closing Consideration or Final Closing Consideration.

FIRST REPUBLIC BANK
It's a privilege to serve you®

AMENDED AND RESTATED LOAN AGREEMENT
(Line of Credit and Term Loan)

This Amended and Restated Loan Agreement (Line of Credit and Term Loan) (the "Agreement"), dated as of **October 1, 2018**, is executed by and between **PJT Partners Holdings LP** ("Borrower"), and **First Republic Bank** (the "Lender"), with reference to the following facts:

A. Borrower and Lender have entered into that certain Loan Agreement dated October 1, 2015 (as amended, the "Prior Loan Agreement"), pursuant to which Lender has extended a revolving line of credit to Borrower in the maximum principal amount of $60,000,000 (with a provision for an increase to $80,000,000 in certain times of the year).

B. Borrower and a wholly-owned subsidiary of Borrower have entered into an agreement (the "Merger Agreement") pursuant to which CamberView Partners Holdings, LLC ("CamberView") will become an indirect wholly-owned subsidiary of Borrower and the current owners of CamberView will be paid a combination of stock and cash for their ownership interests in CamberView (the "Merger Agreement Consideration"). In addition, Borrower intends to refinance an existing term loan facility borrowed by CamberView, with an aggregate outstanding balance at October 1, 2018 of $29,016,174.24 (the "CamberView Loan"). Lender has agreed, at the request of Borrower, to make a new term loan to Borrower in the principal amount of $30,000,000 (the "Term Loan") to permit CamberView to repay in full the CamberView Loan concurrently with the closing of the transactions contemplated by the Merger Agreement.

C. In connection with the making of the Term Loan, Lender and Borrower have agreed to decrease the revolving line of credit under the Prior Loan Agreement from $60,000,000 to $40,000,000 (such decreased revolving line of credit being referred to herein as the "Line of Credit Loan"), change certain other terms and covenants of the Prior Loan Agreement and add new covenants thereto, and have the current Third Party Pledgors under the Prior Loan Agreement agree that the secured Obligations under their respective Third Party Pledge Agreements previously delivered by such Third Party Pledgors be modified to secure the Obligations under this Agreement. The Term Loan and the Line of Credit Loan are referred to collectively as the "Loan."

D. Accordingly, the parties have agreed to amend and restate the Prior Loan Agreement in its entirety as set forth in this Agreement and are entering into this Agreement to establish the terms and conditions relating to the above-referenced credit facilities.

THEREFORE, for valuable consideration, Borrower and the Lender agree as follows:

ARTICLE 1

DEFINITIONS

For purposes of this Agreement, the following terms shall have the following definitions:

1.1 **Borrower's Application.** The written application, if any, and all financial statements and other information submitted by Borrower to the Lender in connection with the Lender's approval of the Loan.

1.2 **Business Day.** Any day other than a day on which commercial banks in California are authorized or required by law to close.

1.3 **Collateral.** As defined in the Security Agreements.

1.4 **Commitment.** An amount equal to the principal face amount of the Line of Credit Note, as amended from time to time.

1.5 **Default.** Any event which, with notice or passage of time or both, would constitute an Event of Default.

1.6 **Event of Default.** As defined in Section 4.1 of this Agreement.

1.7 **GAAP.** Generally accepted accounting principles in the United States of America, as in effect from time to time.

1.8 **Governmental Authorities.** (a) the United States; (b) the state, county, city or other political subdivision in which any of the Collateral is located; (c) all other governmental or quasi-governmental authorities (including but not limited to self-regulatory organizations such as the Financial Industry Regulatory Authority, of which the Pledgor is a member), boards, bureaus, agencies, commissions, departments, administrative tribunals, instrumentalities and authorities; and (d) all judicial authorities and public utilities having or exercising jurisdiction over Borrower or the Collateral. The term "Governmental Authority" means any one of the Governmental Authorities.

1.9 **Governmental Permits.** All permits, approvals, licenses, and authorizations now or hereafter issued by any Governmental Authorities for or in connection with the conduct of Borrower's business or the ownership or use by Borrower of the Collateral or any of its other assets.

1.10 **Governmental Requirements.** All existing and future laws, ordinances, rules, regulations, orders, and requirements of all Governmental Authorities applicable to Borrower, the Collateral or any of Borrower's other assets.

1.11 **Initial Note**. Collectively, (a) the amended and restated promissory note dated the same date as this Agreement executed by Borrower evidencing the Line of Credit Loan in the form of Exhibit A hereto and all extensions, renewals, modifications and replacements of such promissory note ("Line of Credit Note"); and (b) the promissory note dated the same date as this Agreement executed by Borrower evidencing the Term Loan in the form of Exhibit B hereto and all extensions, renewals, modifications and replacements of such promissory note ("Term Loan Note").

1.12 **Line of Credit Advance.** Each advance of principal under the Line of Credit Note made by the Lender to or for the benefit of Borrower pursuant to a Request for Advance or otherwise.

1.13 **Loan Closing.** The first date on which all or any part of the proceeds of the Loan are initially disbursed by the Lender to or for the benefit of Borrower.

1.14 **Loan Documents.** The Note, Security Agreements, this Agreement, the Third Party Pledge Agreements, all certificates and other documents now or hereafter executed by any Loan Party and delivered to the Lender at the Lender's request in connection with the Loan that govern or evidence the Obligations, and all extensions, renewals, modifications and replacements of any or all of such documents.

1.15 **Loan Fee.** The loan fees specified in Section 4 of the Loan Schedule which shall be payable by Borrower to the Lender prior to or on the Loan Closing.

1.16 **Loan Party.** The Borrower and the Third Party Pledgors.

1.17 **Loan Schedule.** The Loan Schedule attached to this Agreement as Exhibit C.

1.18 **Maturity Date.** With respect to (a) the Line of Credit Note, the stated maturity date of the Line of Credit Note; and (b) the Term Loan Note, the stated maturity date of the Term Loan Note.

1.19 **Note.** Each Initial Note. Subsequent to any cancellation of either Initial Note, "Note" shall mean the then-effective subsequent Note (if any) executed by Borrower in favor of Lender to replace such Initial Note and that specifically recites that it arises out of this Agreement, and all extensions, renewals and modifications thereof, together with the other Initial Note. The parties acknowledge and agree that there may be multiple subsequent Notes but that with respect thereto, there shall be only one Note outstanding at any given time for the Line of Credit Loan and for the Term Loan, respectively, and that the effectiveness of such Note shall be conditioned on the cancellation of the immediately preceding Note.

1.20 **Obligations.** All debts, obligations, and liabilities of Borrower to the Lender currently existing or hereafter made, incurred or created, whether voluntary or involuntary, and however arising or evidenced, whether direct or acquired by the Lender by assignment or succession, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, whether under this Agreement, the Note, any of the other Loan Documents, or otherwise, and whether Borrower may be liable individually or jointly, or whether recovery upon such debt may be or become barred by any statute of limitations or otherwise unenforceable, including all attorneys' fees and costs now or hereafter payable by Borrower to the Lender under the Loan Documents or in connection with the collection and enforcement of such debts, obligations and liabilities. Notwithstanding anything to the contrary contained in this Agreement, this Agreement shall not secure and the term "Obligations" shall not include, any debts that are or may hereafter constitute "consumer credit" which is subject to the disclosure requirements of the federal Truth-In Lending Act (15 U.S.C. Section 1601, et seq.) or any similar state law in effect from time to time, unless the Lender and Borrower shall otherwise agree in a separate written agreement.

1.21 **Permitted Liens**. Liens granted to the Lender pursuant to the Loan Documents, liens of a depository or securities intermediary which arise as a matter of law on items in the course of collection or encumbering deposits or other similar liens (including the right of set-off) and non-consensual liens, if any, imposed on the property of any Loan Party not yet delinquent or being contested in good faith by appropriate proceedings.

1.22 **Person.** Any natural person or any entity, including any corporation, partnership, joint venture, trust, limited liability company, unincorporated organization, trustee, or Governmental Authority.

1.23 **Request for Advance.** A written request (or other form of request acceptable to the Lender) for an advance of principal under the Line of Credit Note or the making of the Term Loan submitted by Borrower to the Lender pursuant to this Agreement.

1.24 **Request for Increase**. A written request (or other form of request acceptable to the Lender) for a temporary increase of the Commitment up to Sixty Million and no/100 Dollars ($60,000,000.00) pursuant to this Agreement.

1.25 Security Agreements. Collectively, the Security Agreement between Borrower and Lender dated on or about October 1, 2015 entered into in connection with the Prior Loan Agreement (the "Security Agreement") and any and all other personal security agreements and pledge agreements (including any Third Party Pledge Agreements) now or hereafter executed by Borrower, any Third Party Pledgor or any other Person pursuant to which Borrower or such Person grants a security interest to the Lender in any property or asset of any kind to secure any or all of the Obligations, and all extensions, renewals, modifications and replacements of any or all of such documents.

1.26 Third Party Pledge Agreements. Collectively, the Third-Party Security Agreement (Accounts Receivable) between Park Hill Group LLC and Lender dated on or about October 1, 2015 entered into in connection with the Prior Loan Agreement, the Third-Party Security Agreement (Accounts Receivable) between PJT Partners LP and Lender dated on or about October 1, 2015 entered into in connection with the Prior Loan Agreement and any pledge of or grant of a security interest to the Lender in any property or asset of any kind, now or hereafter executed by any other Third Party Pledgor to secure any or all of the Obligations, and all extensions, renewals, modifications and replacements of any or all of such documents (collectively, the "Third Party Pledge Agreements").

1.27 Third Party Pledgors. Collectively, Park Hill Group LLC, PJT Partners LP and any other Person or Persons, now or hereafter entering into a Third Party Pledge Agreement to secure any or all of the Obligations, including in each case the Persons identified as Third Party Pledgors in the Loan Schedule.

1.28 Other Terms. All accounting terms with an initial capital letter that are used but not defined in this Agreement shall have the respective meanings given to such terms in accordance with GAAP, consistently applied.

ARTICLE 2

DISBURSEMENT OF LOAN PROCEEDS

2.1 Line of Credit; Term Loan. The Lender agrees, on the terms and conditions contained in this Agreement and the other Loan Documents, to make (i) the Line of Credit Loan to Borrower during the period from the date of the Loan Closing up to but not including the Line of Credit Maturity Date in the aggregate principal amount not to exceed at any time the amount of the Commitment; and (ii) the Term Loan to Borrower on the terms and conditions of this Agreement.

(a) Borrower may, on or after November 1st of any year, submit a Request for Increase to increase the Commitment (an "Increase") between December 1st and March 1st of the immediately following calendar year (or a portion of such period). Each Request for Increase shall state the time period during the upcoming three-month period for the Increase to be in place (such period of time for such increase, the "Increase Period"). The Request for Increase must be accompanied by a certificate of the Borrower executed by the chief financial officer or other officer or representative of the Borrower, in a form reasonably acceptable to Lender, that no Event of Default has occurred and is continuing and that all representations and warranties in the Loan Documents are true and correct in all material respects on and as of the date of such Request for Increase.

(b) If an Increase is put into place, Borrower must repay to Lender Line of Credit Advances such that by the end of the Increase Period (but which shall in no event be after March 1st (or if such date is not a Business Day, then the next succeeding Business Day) of any year in which an Increase is in place) the aggregate outstanding principal amount of the Line of Credit Advances is not greater than $40,000,000. At the end of the Increase Period the Commitment shall automatically be reduced to $40,000,000, and in no event shall the Commitment exceed $40,000,000 at any time between March 2nd and November 30th in any calendar year.

2.2 Use of Loan Proceeds. All Loan proceeds received by Borrower under the Line of Credit Loan shall be used by Borrower solely for payment of those costs, charges and other items shown in the Loan Disbursement Instructions executed by Borrower in connection with the Loan and for working capital or general corporate purposes. All Loan proceeds received by Borrower under the Term Loan shall be used, first, to repay in full the CamberView Loan, and then any excess shall be used by Borrower for the payment of those costs, charges and other items shown in the Loan Disbursement Instructions executed by Borrower in connection with the Loan and for working capital or general corporate purposes. The Lender shall have no obligation to monitor or verify the use or application of any Loan proceeds disbursed by the Lender. Borrower shall not, directly or indirectly, use all or any part of the Loan proceeds for the purpose of purchasing or carrying any margin stock within the meaning of Regulation U of the Board of Governors of the Federal Reserve System (the "Board of Governors") or to extend credit to any Person for the purpose of purchasing or carrying any such margin stock or for any purpose which violates or is inconsistent with Regulation X of the Board of Governors, unless such use has been expressly approved in writing by the Lender, in its discretion.

2.3 Loan Fees. Concurrently with or prior to the date of the Loan Closing and at such other times as are required by this Agreement, Borrower shall pay to the Lender the Loan Fees specified in the Loan Schedule. The entire amount of the Loan Fees shall be deemed to be fully earned by the Lender on each date such fees are paid, and no part of the Loan Fees shall be refundable to Borrower, whether or not the principal balance of the Loan is prepaid or the Commitment is terminated prior to the relevant Maturity Date.

2.4 Requests for Advances Under Line of Credit. Each Request for Advance shall indicate the proposed date for the Line of Credit Advance or the making of the Term Loan requested by Borrower in the Request for Advance (which date shall be referred to as the "Advance Date"). Each Request for Advance shall be furnished to Lender no later than 11 A.M. Eastern Time on the Advance Date. Each Advance Date shall be a Business Day. Provided that no Default or Event of Default has occurred and is continuing and that all representations and warranties in the Loan Documents are true and correct in all material respects and on and as of such date, not later than 4 P.M. Eastern Time on the Advance Date, the Lender shall make the Line of Credit Advance or shall make the Term Loan available to Borrower in immediately available funds by deposit or credit to an account in Borrower's name established or to be established at one of the Lender's offices, by check payable directly to Borrower or to a payee designated by Borrower, or by such other method as may be designated by the Lender, in each case as determined by the Lender.

2.5 Reliance by Lender. The Lender may conclusively presume that all requests, statements, information, certifications, and representations, whether written or oral, submitted or made by Borrower or any of its agents to the Lender in connection with the Loan are true and correct, and the Lender shall be entitled to rely thereon, without investigation or inquiry of any kind by the Lender, in disbursing the Loan proceeds and taking or refraining from taking any other action in connection with the Loan. Without limiting the generality of this Section, Borrower acknowledges and agrees that (a) it is in the best interest of Borrower that the Lender respond to and be entitled to rely upon Requests for Advances and Requests for Increases that are given by Borrower in writing, by telephone (if permitted hereunder), or by other telecommunication method acceptable to the Lender without the Lender having to inquire into the actual authority of the Person making such request and purporting to act on behalf of Borrower; (b) therefore, the Lender may conclusively rely on any and all Requests for Advances and Requests for Increases (whether made in writing, by telephone (if permitted hereunder), or by other telecommunication method) made by (i) any Person who purports to be one of the agents of Borrower who has been authorized to act for Borrower in any resolution or other form of authorization of any kind delivered to the Lender (a "Borrower Authorization"); and (ii) any other Person who the Lender in good faith believes to be authorized to act for Borrower (notwithstanding the fact that such other Person is not identified in any Borrower Authorization); and (c) Borrower assumes all risks arising out of any lack of actual authority by any Person submitting any form of Request for Advance or Request for Increase (whether made in writing, by telephone (if permitted hereunder), or by other telecommunication method) to the Lender and the Lender's reliance on such Request for Advance or Request for Increase (except to the extent such reliance results from the Lender's gross negligence, bad faith or willful misconduct).

ARTICLE 3

BORROWER'S COVENANTS

3.1 Existence of Borrower. Borrower shall maintain its existence in good standing under the laws of the state in which it is organized and maintain its qualification as a foreign entity in good standing in each jurisdiction in which the nature of its business requires qualification as a foreign entity (except for such jurisdictions where the failure to so qualify would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole)).

3.2 Books and Records; Inspections by Lender. Borrower shall keep and maintain books and records relating to its business and the Collateral that are complete and accurate in all material respects and may be accessed at its principal place of business. The Lender shall have access to such books and records at all reasonable times upon not less than five (5) Business Days prior written notice to Borrower for the purposes of examination, inspection, verification, copying and for any other reasonable purpose relating to the Loan Documents. Borrower authorizes the Lender, at its option but without any obligation of any kind to do so, to discuss the affairs, finances and accounts of Borrower and the Collateral with any of its officers and directors, and after an Event of Default has occurred and is continuing, with Borrower's independent accountants and auditors, and Borrower authorizes all accountants and auditors employed or retained by Borrower to respond to and answer all requests from the Lender for financial and other information regarding Borrower. Borrower agrees not to assert the benefit of any accountant-client privilege precluding or limiting the disclosure or delivery of any of its books and records to the Lender (provided that Borrower will not be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any documents, information or other matter that (a) constitutes non-financial trade secrets or non-financial proprietary information, (b) in respect of which disclosure to the Lender (or its representatives or contractors) is prohibited by law or any binding agreement to which the Borrower or its affiliates is a party, or (c) is subject to attorney-client privilege or constitutes attorney work product).

3.3 Reports. Without limiting any of the other terms of the Loan Documents, from time to time within ten (10) Business Days (or such later time as the Lender may reasonably agree) after the Lender's written reasonable request to Borrower, Borrower shall deliver to the Lender such reports and information available to Borrower concerning the business, financial condition and affairs of Borrower or the Collateral as the Lender may reasonably request.

3.4 Payment of Obligations; Compliance with Financial Covenants. Borrower shall pay all of its indebtedness under the Note and pay and perform all of its other Obligations under the Loan Documents as and when the same become due. Without limiting the generality of the immediately preceding sentence, Borrower shall comply with all of the financial covenants contained in Section 1 of Exhibit D (the "Financial Covenants") and the other terms set forth in the Exhibit D.

3.5 Notice of Material Adverse Changes. Borrower shall immediately notify the Lender in writing of (a) any material adverse change in the financial condition of the Loan Parties (taken as a whole); (b) any material adverse change in (including any material decline in the value of) the Collateral; and (c) any claim, proceeding, litigation or investigation in the future threatened or instituted by or against Borrower involving any claim or claims which, individually or in the aggregate, may cause or result in a material adverse change in the financial condition or business of Borrower or any material impairment in the ability of Borrower to carry on its business in substantially the same manner as it is now being conducted.

3.6 Further Assurances. Upon the Lender's request, Borrower shall execute and deliver to the Lender such further documents and agreements, in form and substance reasonably satisfactory to the Lender, as the Lender may reasonably require to grant, preserve or protect the validity of the security interests created or intended to be created by the Security Agreements.

3.7 Claims. Subject to Section 3.9, Borrower shall pay when due all claims which, if unpaid, might become a lien or charge on any or all of the properties or assets of Borrower.

3.8 **Taxes.** Subject to Section 3.9, Borrower shall pay when due all material foreign, federal, state and local taxes, assessments, and governmental charges now or hereafter levied upon or against Borrower or any of its properties or assets (including the Collateral), including all material income, franchise, personal property, real property, excise, withholding, sales and use taxes, except taxes that are being contested in good faith by appropriate proceedings and for which the Borrower has set aside on its books adequate reserves.

3.9 **Contest.** Borrower shall not be in default hereunder for failure to pay any tax, assessment, charge or claim referred to in Section 3.7 or 3.8 above (a) to the extent such failure would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole) or (b) to the extent Borrower is contesting the payment of such tax, assessment, charge or claim in good faith by appropriate proceedings or has set aside on its books adequate reserves with respect thereto in accordance with GAAP.

3.10 **Pension Plans.** Borrower shall pay all amounts necessary to fund each of its present and future employee benefit plans (if any) that are subject to Title IV of the Employee Retirement Income Security Act of 1974, as amended in accordance with its terms, and Borrower shall not permit the occurrence of any event with respect to any such plan which would result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or any other Governmental Authority, that would reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole).

3.11 **Insurance.** Borrower shall maintain insurance in at least such amounts and against at least such risks as the Borrower believes (in the good faith judgment of management of the Borrower) is reasonable and prudent in light of the size and nature of its business and the availability of insurance on a cost effective basis.

3.12 **Maintenance of Properties.** Borrower shall maintain its properties in good condition and repair, ordinary wear and tear excepted, except where the failure to do so would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole).

3.13 **Licenses.** Borrower shall maintain all Governmental Permits necessary for the ownership of its properties and the conduct of its businesses, except where the failure to do so would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole).

3.14 **Compliance with Applicable Laws.** Borrower shall at all times comply with and keep in effect all Governmental Permits relating to Borrower, the Collateral, and Borrower's other assets, except where the failure to do so would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole). Borrower shall at all times comply with, and shall cause the Collateral to comply with (a) all Governmental Requirements, including all hazardous substance laws; (b) all requirements and orders of all judicial authorities which have jurisdiction over Borrower or the Collateral; and (c) all covenants, conditions, restrictions and other documents relating to Borrower or the Collateral, except in the case of each of the foregoing clauses (a), (b) and (c), where the failure to do so would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole).

3.15 **Place of Business; Borrower's Name.** Borrower shall promptly give the Lender written notice of any change in the location of Borrower's chief executive office except that Borrower shall obtain Lender's prior written consent (such consent not to be unreasonably withheld) thereto if the change in location of the chief executive office is to a place outside of the United States. Borrower shall give the Lender not less than fifteen (15) days prior written notice before changing its name or doing business under any other name. Borrower has complied, and will in the future comply, in all material respects with all Governmental Requirements relating to the conduct of Borrower's business under a fictitious business name.

3.16 **Sale; Merger**. Borrower shall not sell or transfer all or any substantial part of its assets, merge with or into any other Person, or change its jurisdiction of organization in each case without at least fifteen (15) days prior written notice to Lender; provided that Borrower shall not be required to give prior notice to the extent doing so would violate any Governmental Requirements which cannot be satisfied by the execution of a confidentiality agreement by Lender; and provided further the provisions of this Section 3.16 shall not permit Borrower to transfer any Collateral in violation of any provisions of the Security Agreements.

3.17 **Other Financial Information.** Borrower shall deliver to Lender, or cause to be delivered to Lender, the financial information regarding the Loan Parties set forth on Exhibit D and such other financial information regarding the Loan Parties as Lender may reasonably request from time to time. Documents required to be delivered pursuant to this Section 3.17 that are made publicly available via EDGAR, or any successor system of the SEC, in the Borrower's (or its general partner's) Annual Report on Form 10-K or 10-Q, as applicable, shall be deemed delivered to the Lender on the date such documents are made so available, provided that Buyer complies with the delivery of the compliance certificate required by Section 2.3 of Exhibit D hereof.

3.18 **Collateral**. Borrower at all times will have (a) legal and equitable title to the Collateral owned by it, free and clear of all liens and other interests (except Permitted Liens), and (b) the right to grant the security interests in the Collateral owned by it. The grant by Borrower of the security interests in the Collateral will not at any time violate any Government Requirement applicable to Borrower or any agreement to which Borrower is a party.

ARTICLE 4

DEFAULT AND REMEDIES

4.1 **Events of Default.** The Lender, at its option, may declare Borrower to be in default under this Agreement and the other Loan Documents upon the occurrence and during the continuance of any or all of the following events (the declaration of such a default by the Lender by written notice to Borrower shall constitute an "Event of Default"):

(a) Payment of Note and Other Monetary Obligations. If Borrower fails to (x) pay any of its indebtedness under the Note or (y) pay any of its other obligations under the Loan Documents or under any other document with Lender requiring the payment of money to the Lender (provided that such failure under any such other document shall constitute a default hereunder only to the extent the aggregate principal amount of the relevant indebtedness exceeds $25,000), in each case within three (3) days after the date on which such indebtedness or monetary obligation is due, including failure to repay any Line of Credit Advances before the end of any Increase Period as required pursuant to Section 2.1(b) hereof; provided, however, that the three (3) day grace period contained in this Section 4.1(a) shall not apply to Borrower's obligation to pay the outstanding principal balance and all accrued and unpaid interest under the Note on the relevant Maturity Date;

(b) Failure to Comply with Financial Covenants, Permit Inspections, or to Perform Certain Non-Monetary Obligations Under Other Loan Documents. If (i) Borrower fails to comply with any or all of the Financial Covenants or Section 2 of Exhibit D hereto; (ii) Borrower fails to permit any inspection of the Collateral or any of Borrower's books and records in accordance with the terms of the Loan Documents; or (iii) Borrower breaches any of its non-monetary obligations to (x) the Lender or any third Person under any of the Loan Documents or (y) under any other document with Lender, in each case after written notice by the Lender to Borrower setting forth such non-monetary obligation, which breach is not reasonably susceptible to being cured by Borrower (provided that in the case of clause (y), the breach under any such document shall constitute a default hereunder only to the extent the aggregate principal amount of the relevant indebtedness exceeds $25,000);

(c) Performance of Non-Monetary Obligations Under Other Loan Documents Which are Curable. If (i) Borrower fails to perform any of its non-monetary obligations (x) to the Lender (other than those set forth in Section 4.1(b) above) under any of the Loan Documents or (y) under any other document with Lender, in each case when due (provided that in the case of clause (y), the breach under any such document shall constitute a default hereunder only to the extent the aggregate principal amount of the relevant indebtedness exceeds $25,000); and (ii) Borrower fails to diligently complete a cure of its breach of such non-monetary obligation as soon as reasonably practicable after written notice by the Lender to Borrower setting forth such non-monetary breach, but in any event within thirty (30) days after such notice is given; provided, however, that the thirty (30) day cure period contained in this Section 4.1(c) shall not be deemed to apply if Borrower commits more than two (2) such non-monetary breaches within any twelve (12) calendar month period. Without limiting any of the terms of this Section 4.1(c), the cure provision contained in this Section 4.1(c) (the "Cure Provision") shall not apply with respect to Borrower's failure to comply with the Financial Covenants or Borrower's breach of any non-monetary obligation of Borrower that is not reasonably susceptible to being cured by Borrower, including any transfer of the Collateral in violation of the terms of the Loan Documents. Notwithstanding anything to the contrary contained in this Section 4.1(c) or Section 4.1(a) above, if Borrower breaches any of the terms of the Loan Documents, and if the Lender, in its discretion, determines that such breach impairs the Lender's security for the Loan, the Lender, immediately upon the occurrence of any such breach, shall have the right to take such actions and exercise such remedies under the Loan Documents as the Lender may in good faith determine to be necessary or appropriate to avoid such impairment;

(d) Misrepresentation. If any written statement, certification, representation, or warranty submitted or made by Borrower to the Lender in connection with the Loan is false or misleading in any material respect as of the date hereof;

(e) Insolvency of Borrower. If (i) a petition is filed by or against Borrower under the federal bankruptcy laws or any other applicable federal or state bankruptcy, insolvency or similar law; (ii) a receiver, liquidator, trustee, custodian, sequestrator, or other similar official is appointed to take possession of Borrower, the Collateral, or any material part of Borrower's other assets, or Borrower consents to such appointment; (iii) Borrower makes an assignment for the benefit of creditors; or (iv) Borrower takes any action in furtherance of any of the foregoing; provided, however, that Borrower shall have sixty (60) days within which to cause any involuntary bankruptcy proceeding to be dismissed or the involuntary appointment of any receiver, liquidator, trustee, custodian, or sequestrator to be discharged. The cure provision contained in this Section shall be in lieu of, and not in addition to, any and all other cure provisions contained in the Loan Documents;

(f) Insolvency of Other Persons. If any of the events specified in clauses (i) through (iv) of Section 4.1(e) above occurs with respect to any Third Party Pledgor, as if such Third Party Pledgor were the Borrower described therein;

(g) Performance of Obligations to Third Persons. If Borrower or any Third Party Pledgor fails to pay any of its indebtedness or to perform any of its obligations when due, in each case under any document between Borrower or such Third Party Pledgor and any other Person and such failure to pay or perform entitles the holder thereof to accelerate such indebtedness; provided such failure shall constitute a default hereunder only to the extent the aggregate principal amount of relevant indebtedness exceeds $5 million;

(h) Attachment. If all or any material part of the Collateral or the other assets of any Loan Party are attached, seized, subjected to a writ or levied upon by any court process and such Loan Party fails to cause such attachment, seizure, writ or levy to be fully released or removed within sixty (60) days after the occurrence of such event. The cure provision contained in this Section shall be in lieu of, and not in addition to, any and all other cure periods contained in the Loan Documents;

(i) Injunctions. If a court order is entered against any Loan Party enjoining the conduct of all or part of such Person's business and Borrower or such Third Party Pledgor fails to cause such injunction to be fully stayed, dissolved or removed within sixty (60) days after such order is entered. The cure provision contained in this Section shall be in lieu of, and not in addition to, any and all other cure periods contained in the Loan Documents;

(j) Dissolution. The dissolution, liquidation, or termination of existence of any Loan Party;

(k) Transfers of Interests. The sale or transfer of an aggregate of more than twenty-five percent (25%) of the beneficial interests in Borrower (other than to any Loan Party or any affiliate of any Loan Party) without the Lender's prior written consent;

(l) Impairment of Security Interest or Lender's Rights. If (i) the validity or priority of the Lender's security interest in the Collateral is impaired for any reason; or (ii) the value of the Collateral has deteriorated, declined or depreciated as a result of any intentional act or omission by a Loan Party;

(m) Default by Third Party Pledgors. If any default occurs under any of the Third Party Pledge Agreements and is not cured within any applicable cure period, if any Third Party Pledgor fails to pay any of its indebtedness or perform any of its obligations under any of the Third Party Pledge Agreements when due (after giving effect to any applicable cure period), or if any Third Party Pledgor revokes, limits or terminates or attempts to revoke, limit or terminate any of the obligations of any Third Party Pledgor under any of the Third Party Pledge Agreements;

(n) Misrepresentation by Third Party Pledgors. If any written statement, certification, representation, or warranty submitted or made by any Third Party Pledgor to the Lender in connection with the Loan, is false or misleading in any material respect and the aderse effect of the failure of such representation or warranty shall not have been cured within five (5) Business Days after written notice thereof is delivered to such Third Party Pledgor by the Lender; or

(o) Material Adverse Change. If Lender determines in its commercially reasonable judgment that a material adverse change in the financial condition of Borrower and its affiliates (taken as a whole) has occurred after the date hereof and that such change materially impairs Borrower's ability to perform any or all of the Obligations, and within 60 days after the Lender notifies Borrower of the same the Borrower does not either cure or substantially remedy the adverse change or provide the Lender a detailed business plan reasonably satisfactory to Lender to remedy the adverse change within the next 90 days.

4.2 Remedies. Upon the Lender's election to declare Borrower to be in default under the Loan Documents pursuant to Section 4.1 above, Borrower shall be deemed to be in default under the Loan Documents, and the Lender shall have the right to do any or all of the following:

(a) Acceleration. The Lender shall have the right to declare any or all of the Obligations to be immediately due and payable, including the entire principal amount and all accrued but unpaid interest under the Note, and notwithstanding the relevant Maturity Date of the Note, such Obligations shall thereupon be immediately due and payable;

(b) Remedies Under Other Loan Documents. The Lender may exercise any or all rights and remedies which the Lender may have under any or all of the Loan Documents and applicable law;

(c) Discontinuation of Disbursements. The Lender may discontinue or withhold any or all advances of the Loan proceeds, and the Lender shall have no further obligation to make any Line of Credit Advance or the Term Loan (if not previously made); and

(d) Discontinuation of Other Extensions of Credit. The Lender may discontinue advancing money or extending credit to or for the benefit of Borrower in connection with any other document between the Lender and Borrower.

Notwithstanding the preceding provisions of this Section 4.2, if an Event of Default described in Section 4.1(e) shall occur, then all of the Obligations under the Loan Documents shall, automatically and without any action of or notice by Lender, become immediately due and payable and Lender's commitment to lend under the Note and the other Loan Documents shall automatically terminate.

ARTICLE 5

WARRANTIES AND REPRESENTATIONS

5.1 Borrower's Warranties and Representations. As a material inducement to the Lender's extension of credit to Borrower in connection with the Loan, Borrower warrants and represents to the Lender as follows:

(a) Existence. Borrower is duly organized, validly existing and in good standing under the laws of the state in which Borrower is organized, and Borrower is qualified to do business and is in good standing in each jurisdiction in which the ownership of the Collateral pledged by it and its other assets or the conduct of its business requires qualification as a foreign entity (except where the failure to so qualify would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obigations under the Loan Documents or on the business of the Loan Parties (taken as a whole)).

(b) Authority to Own Assets; Collateral. Borrower has the full power and authority to own its assets and to transact the business in which it is now engaged. Borrower is the owner of all of the Collateral in which it has granted to Lender a security interest and has the right to grant Lender the security interests in the Collateral.

(c) Authority to Execute Loan Documents. Borrower has the full power and authority to execute, deliver and perform its obligations under the Loan Documents and grant the security interests in the Collateral, and the execution, delivery and performance of the Loan Documents and the consummation of the transactions contemplated thereby have been duly authorized by all requisite action on the part of Borrower. The Person or Persons signing the Loan Documents on behalf of Borrower are duly authorized to execute the Loan Documents and all other documents necessary to consummate the Loan on behalf of Borrower.

(d) Valid Obligations. The Loan Documents are legal, valid and binding obligations of Borrower and each Third Party Pledgor, respectively, enforceable in accordance with their terms (except as enforcement may be limited by equitable principles and by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to creditors' rights generally). The Security Agreement is effective to create a valid security interest in the Collateral.

(e) No Consents Required. No consent of any other Person and no consent, approval, authorization or other action by or filing with any Governmental Authority not previously obtained by Borrower is required in connection with the execution, delivery and performance of the Loan Documents by Borrower or the grant by Borrower of the security interest in the Collateral pledged by it, except for filings required by the Security Agreements.

(f) Chief Executive Office. Borrower's chief executive office is located at the address set forth in Section 1.3 of Exhibit C.

(g) Borrower's Name. Borrower has set forth above its full and correct name, and Borrower does not use any other names or tradenames, except for the tradenames disclosed in the Loan Schedule.

(h) No Violations. The execution, delivery and performance of the Loan Documents and compliance with their respective terms will not conflict with or result in a violation or breach in any material respect of any of the terms or conditions of any document to which Borrower is a party or by which Borrower is bound or any order or judgment of any court or Governmental Authority binding on Borrower.

(i) Organizational Documents. Borrower's execution, delivery and performance of the Loan Documents and Borrower's compliance with their respective terms (i) will not violate any material Governmental Requirements applicable to Borrower; or (ii) Borrower's Certificate of Limited Partnership or Limited Partnership Agreement, of which Borrower has furnished Lender accurate and complete copies.

(j) Tax Claims. There are no claims or adjustments proposed by any taxing authority for any of Borrower's prior tax years which could result in additional taxes becoming due and payable by Borrower that would reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole). Each Loan Party has filed all federal, state and local tax returns required to be filed under applicable Governmental Requirements and has paid all taxes, assessments, fees, penalties, and other governmental charges that are due and payable in connection therewith, except (a) taxes that are being contested in good faith by appropriate proceedings and for which the Borrower has set aside on its books adequate reserves or (b) to the extent that the failure to do so would not reasonably be expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents or on the business of the Loan Parties (taken as a whole).

(k) Litigation. There are no actions, suits, proceedings or investigations pending or to the best of Borrower's knowledge, threatened against or affecting Borrower or any Third Party Pledgor in any court or before any other Governmental Authority which would be reasonably expected to have a material adverse effect on the ability of Borrower to perform its obligations under the Loan Documents, on the Collateral or on the business of the Loan Parties (taken as a whole).

(l) Financial Statements. All financial statements respecting the financial condition of Borrower which have been furnished to the Lender prior to the Loan Closing (i) present fairly the financial condition and results of operations of the Person to whom the financial statement applies as of the dates and for the periods shown on such statements; and (ii) disclose all contingent liabilities affecting the Person to whom the financial statement applies to the extent that such disclosure is required by generally accepted accounting principles. Since the last date covered by any such statement, there has been no material adverse change in the financial condition of Borrower, and Borrower is now and at all times hereafter shall continue to be solvent.

(m) Periodic Financial Statements. All financial statements respecting the financial condition of Borrower hereafter delivered to the Lender by Borrower shall satisfy the requirements of clauses (i) and (ii) of Section 5.1(l) above.

(n) Margin Stock. Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying any "margin stock" (as defined in Regulation G of the Board of Governors of the Federal Reserve System), and no part of the proceeds of the Loan shall be used to purchase or carry any margin stock or to extend credit to others for the purpose of purchasing or carrying any margin stock, unless such use is approved in writing by the Lender or otherwise expressly contemplated by the Loan Documents.

(o) Licenses and Governmental Requirements. No Loan Party (i) is in violation in any material respect of any Governmental Permits or Governmental Requirements (including all hazardous substance laws) to which it is subject; or (ii) has failed to obtain any Governmental Permits necessary for the ownership of its properties or the Collateral or the conduct of its business.

(p) Material Adverse Change. There has been no material adverse change in Borrower's financial condition as represented to Lender in connection with Lender's approval of the Loan, which would reasonably be expected to have a material impairment on Borrower's ability to perform any or all of the Obligations.

5.2 OFAC; Patriot Act Compliance.

(a) Borrower is not a Person (i) whose property or interest in property is blocked or subject to blocking pursuant to Section 1 of Executive Order 13224 of September 23, 2001 Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (66 Fed. Reg. 49079 (2001)) (the "Executive Order"), (ii) who engages in any dealings or transactions prohibited by Section 2 of the Executive Order, or (iii) who is on the list of Specially Designated Nationals and Blocked Persons or subject to the limitations or prohibitions under any other U.S. Department of Treasury's Office of Foreign Assets Control regulation or executive order ("OFAC"). To Borrower's knowledge, Borrower is not engaged in any transactions or dealings with any Person who is in violation of Section 2 of the Executive Order.

(b) Borrower is in compliance with the Patriot Act in all material respects. No proceeds of the Loan will be used, directly or, to the knowledge of the Borrower, indirectly, for the purpose of making or offering payments to any governmental official or employee, political party or its officials, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

5.3 Borrower's Warranties. Borrower's warranties and representations set forth in Section 5.1 above shall be true and correct at the time of execution of this Agreement and as of the date of the Loan Closing, shall survive the closing of the Loan, and shall be true and correct in all material respects as of the date on which such warranties and representations are given. For purposes of this Agreement and the other Loan Documents, the term "to the best of Borrower's knowledge" shall be deemed to mean to the best knowledge of Borrower after a commercially reasonable and diligent investigation, inspection and inquiry by Borrower.

ARTICLE 6

MISCELLANEOUS

6.1 Relationship of Parties. The Lender shall not be deemed to be, nor do the Lender or Borrower intend that the Lender shall ever become, a partner, joint venturer, trustee, fiduciary, manager, controlling person, or other business associate or participant of any kind in the business or affairs of Borrower, whether as a result of the Loan Documents or any of the transactions contemplated by the Loan Documents. In exercising its rights and remedies under the Loan Documents, the Lender shall at all times be acting only as a lender to Borrower within the normal and usual scope of activities of a lender.

6.2 Indemnification. Borrower shall indemnify and hold the Lender and its officers, directors, agents, employees, representatives, shareholders, affiliates, successors and assigns (collectively, the "Indemnified Parties") harmless from and against any and all claims, demands, damages (including special and consequential damages), liabilities, actions, causes of action, legal proceedings, administrative proceedings, suits, injuries, costs, losses, debts, liens, interest, fines, charges, penalties and expenses (including attorneys', accountants', consultants', and expert witness fees and costs) of every kind and nature (collectively, the "Claims") arising directly or indirectly out of or relating to any or all of the following: (i) Borrower's breach of any of its Obligations or warranties under the Loan Documents; (ii) any act or omission by Borrower or any of its employees or agents; (iii) Borrower's use of the Collateral or any other activity or thing allowed or suffered by Borrower to be done on or about any of Borrower's properties; and (iv) any claims for commissions, finder's fees or brokerage fees arising out of the Loan or the transactions contemplated by the Loan Documents, if such claim is based on any act, omission or agreement by Borrower or any affiliate. Notwithstanding anything to the contrary contained in this Section, Borrower shall not be obligated to indemnify any Indemnified Party for any liabilities resulting solely from the gross negligence, willful misconduct or intentional tortious conduct of such Indemnified Party which such Indemnified Party is determined by the final judgment of a court of competent jurisdiction to have committed. Borrower's obligation to indemnify the Indemnified Parties under this Section 6.2 shall survive the cancellation of the Note and the release of the Lender's security interests under the Security Agreements.

6.3 **Power of Attorney.** Upon the occurrence and during the continuation of any Event of Default, Borrower irrevocably appoints the Lender, with full power of substitution, as Borrower's attorney-in-fact, coupled with an interest, with full power, in the Lender's own name or in the name of Borrower to sign, record and file all documents referred to in Section 3.6 above related to the Collateral. The Lender shall have the right to exercise the power of attorney granted in this Section directly. Nothing contained in the Loan Documents shall be construed to obligate the Lender to act on behalf of Borrower as attorney-in-fact.

6.4 **Confidentiality.** The Lender agrees to use commercially reasonable efforts to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its affiliates and to its and its affiliates' managers, administrators, trustees, partners, directors, officers, employees and agents, including accountants, legal counsel and other advisors on a need-to-know basis (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority or self-regulatory body, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, provided that the Lender gives the Borrower prompt notice of any request to disclose information (unless such notice is prohibited by law, subpoena, similar process or by the applicable regulatory authority) so that the Borrower may seek a protective order or other appropriate remedy (including by participation in any proceeding to which the Lender is a party, and the Lender hereby agrees to use reasonable effort to permit the Borrower to do so), (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies hereunder or any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) with the consent of the Borrower or (g) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Lender on a nonconfidential basis from a source other than the Borrower or its affiliates.

For the purposes of this Section, "Information" means all information (including financial statements, certificates and reports and analyses, compilations and studies prepared by or on behalf of the Lender based on any of the foregoing) received from or on behalf of the Borrower or any Third Party Pledgor relating to the Borrower, any Third Party Pledgor or any affiliate thereof or such Person's business or relating to any employee, member or partner or customer of any such Person, other than any such information that is or becomes available to the Lender on a nonconfidential basis. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

6.5 **Actions.** Whether or not an Event of Default has occurred, the Lender shall have the right, but not the obligation, to commence, appear in, or defend any action or proceeding which affects or which the Lender determines may affect (a) the Collateral; (b) Borrower's or the Lender's respective rights or obligations under the Loan Documents; (c) the Loan; or (d) the disbursement of any proceeds of the Loan.

6.6 **Attorneys' Fees and Costs and Other Expenses.** Upon Lender's demand, Borrower shall reimburse Lender for all reasonable and documented attorney's fees and costs, incurred by Lender in connection with the negotiation and execution of the Loan Documents; the exercise of any or all of Lender's rights and remedies under this Agreement and the other Loan Documents; the enforcement of any of all Obligations, whether or not any legal proceedings are instituted by Lender; or the defense of any action or proceeding by Borrower or any other Person relating to the Loan ("Attorneys' Fee"). Without limiting the generality of the immediately preceding sentence, such Attorneys' Fee cost shall include all attorneys' fees and costs incurred by Lender in connection with any federal or state bankruptcy, insolvency, reorganization, or other similar proceeding by or against Borrower or any Third Party Pledgor which in any way affects Lender's exercise of its rights and remedies under the Loan Documents. Borrower's obligation to reimburse Lender under this Section shall include payment of interest on all amounts expended by Lender from the date of expenditure at the rate of interest applicable to principal under the Note.

6.7 No Third Party Beneficiaries. The Loan Documents are entered into for the sole protection and benefit of the Lender, Borrower and Third Party Pledgors, as applicable, and their respective permitted successors and assigns. No other Person shall have any rights or causes of action under the Loan Documents.

6.8 Documents. The form and substance of all documents and instruments which Borrower is required to deliver to the Lender under this Agreement shall be subject to the Lender's reasonable approval.

6.9 Notices. All notices and demands by the Lender to Borrower under this Agreement shall be in writing and shall be effective on the earliest of (a) personal delivery to Borrower; (b) two (2) days after deposit in first class or certified United States mail, postage prepaid, addressed to Borrower at the address set forth in the Loan Schedule; and (c) one (1) business day after deposit with a reputable overnight delivery service, delivery charges prepaid, addressed to Borrower at the address set forth in the Loan Schedule. All notices and demands by Borrower to the Lender under this Agreement shall be in writing and shall be effective on actual receipt by the Lender at the Lender's address shown in the Loan Schedule; provided, however, that non-receipt of any such notice or demand by the Lender as a result of the Lender's refusal to accept delivery or the Lender's failure to notify Borrower of the Lender's change of address shall be deemed to constitute receipt by the Lender. The addresses specified in the Loan Schedule may be changed by notice given in accordance with this Section.

6.10 Severability; No Offsets. If any provision of the Loan Documents shall be held by any court of competent jurisdiction to be unlawful, voidable, void, or unenforceable for any reason, such provision shall be deemed to be severable from and shall in no way affect the validity or enforceability of the remaining provisions of the Loan Documents. No Obligations shall be offset by all or part of any claim, cause of action, or cross-claim of any kind, whether liquidated or unliquidated, which Borrower now has or may hereafter acquire or allege to have acquired against the Lender. To the fullest extent permitted by law, Borrower waives the benefits of any applicable law, regulation, or procedure which provides, in substance, that where cross demands for money exist between parties at any point in time when neither demand is barred by the applicable statute of limitations, and an action is thereafter commenced by one such party, the other party may assert the defense of payment in that the two demands are compensated so far as they equal each other, notwithstanding that an independent action asserting the claim would at the time of filing the response be barred by the applicable statute of limitations.

6.11 Interpretation. Whenever the context of this Agreement reasonably requires, all words used in the singular shall be deemed to have been used in the plural, and the neuter gender shall be deemed to include the masculine and feminine gender, and vice versa. The headings to sections of this Agreement are for convenient reference only and shall not be used in interpreting this Agreement. For purposes of this Agreement, (a) the term "including" shall be deemed to mean "including without limitation"; (b) the term "document" shall be deemed to include all written contracts, commitments, agreements, and instruments; and (c) the term "discretion," when applied to any determination, consent, or approval right by the Lender, shall be deemed to mean the Lender's sole but good faith business judgment.

6.12 Time of the Essence. Time is of the essence in the performance of each provision of the Loan Documents by Borrower and/or any Third Party Pledgors.

6.13 Amendments. The Loan Documents (excluding the Third Party Pledge Agreements) may be modified only by a written agreement signed by Borrower and the Lender. Notwithstanding the foregoing or any other terms in this Agreement, the Note or other Loan Documents, the Loan may be renewed or the relevant Maturity Date extended repeatedly and/or for any length of time as mutually agreed to by Borrower and Lender.

6.14 Counterparts. This Agreement and each of the other Loan Documents may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same document.

6.15 Entire Agreement. The Loan Documents contain the entire agreement concerning the subject matter of the Loan Documents and supersede all prior and contemporaneous negotiations, agreements, statements, understandings, terms, conditions, representations and warranties, whether oral or written, by and among the Lender, Borrower and Third Party Pledgors concerning the Loan which is the subject matter of the Loan Documents.

6.16 No Waiver by Lender. No waiver by the Lender of any of its rights or remedies in connection with the Obligations or of any of the terms or conditions of the Loan Documents shall be effective unless such waiver is in writing and signed by the Lender.

6.17 Cumulative Remedies. No right or remedy of the Lender under this Agreement or the other Loan Documents shall be exclusive of any other right or remedy under the Loan Documents or to which the Lender may be entitled. The Lender's rights and remedies under the Loan Documents are cumulative and in addition to all other rights and remedies which the Lender may have under any other document with Borrower and under applicable law.

6.18 Joint and Several Liability. [Intentionally Deleted]

6.19 Assignment. Borrower shall not assign, encumber, or otherwise transfer any or all of Borrower's rights under the Loan Documents, whether voluntarily, involuntarily, or by operation of law, without the Lender's prior written consent, which consent may be withheld in the Lender's discretion. Unless an Event of Default exists or the Lender is merged into or otherwise acquired by a third Person, in which case no consent shall be required, Lender shall not assign, encumber or otherwise transfer any or all of Lender's rights under the Loan Documents, whether voluntarily, involuntarily, or by operation of law, without Borrower's prior written consent, which consent may not be unreasonably withheld (provided, that if in any case that Borrower's consent is required, the refusal of Borrower to consent to the assignment, encumbrance or other transfer to a Competitor shall not be deemed unreasonable). For purposes of this Section 6.19, "Competitor" means any direct corporate competitor of Borrower or any of its affiliates operating as an investment bank advisory firm and/or institutional asset manager. Any purported assignment, encumbrance or transfer by either party in violation of this Section shall be void.

6.20 Waivers. Borrower waives presentment, demand for payment, protest, notice of demand, dishonor, protest and non-payment, and all other notices and demands in connection with the delivery, acceptance, performance, default under, and enforcement of the Loan Documents. Borrower waives the right to assert any statute of limitations as a defense to the enforcement of any or all of the Loan Documents to the fullest extent permitted by law. Without limiting the generality of the immediately preceding sentence, in the event of Borrower's payment in partial satisfaction of any or all of the Obligations, Lender shall have the sole and exclusive right and authority to designate the portion of the Obligations that is to be satisfied. Borrower and all Persons holding a lien of any kind affecting all or part of the Collateral who have actual or constructive notice of this Agreement waive (a) all rights to require marshalling of assets or liens in the event of Lender's exercise of any of its rights and remedies under the Loan Documents; and (b) all rights to require Lender to exercise any other right or power or to pursue any other remedy which Lender may have under any document or applicable law before exercising any other such right, power, or remedy.

6.21 Applicable Law; Jurisdiction. The Loan Documents shall be governed by and construed in accordance with the laws of the State of New York. Each of the parties hereto agrees that the courts of the State of New York and Federal District Courts located in the Borough of Manhattan in New York City, shall have exclusive jurisdiction and venue of any action or proceeding directly or indirectly arising out of or related to the negotiation, execution, delivery, performance, breach, enforcement or interpretation of this Agreement and all of the other Loan Documents or any of the transactions contemplated by or related to any or all of the Loan Documents, regardless of whether or not any claim, counterclaim or defense in any such action or proceeding is characterized as arising out of fraud, negligence, intentional misconduct, breach of contract or fiduciary duty, or violation of any Governmental Requirements. Each of the parties hereto irrevocably consents to the personal jurisdiction of such courts, to such venue, and to the service of process in the manner provided for the giving of notices in this Agreement. Each of the parties hereto waives all objections to such jurisdiction and venue, including all objections that are based upon inconvenience or the nature of the forum.

6.22 **Waiver of Right to Jury Trial.** Each party hereto irrevocably waives all rights to a jury trial in any action, suit, proceeding or counterclaim of any kind directly or indirectly arising out of or in any way relating to the Loan, this Agreement, any agreement securing the Note, or any of the other Loan Documents, any or all of the collateral securing the Loan, or any of the transactions which are contemplated by the Loan Documents. The jury trial waiver contained in this section is intended to apply, to the fullest extent permitted by law, to any and all disputes and controversies that arise out of or in any way related to any or all of the matters described in the immediately preceding sentence, including without limitation contract claims, tort claims, and all other common law and statutory claims of any kind. This Agreement may be filed with any court of competent jurisdiction as each party's written consent to such party's waiver of a jury trial.

6.23 **Borrower Acknowledgement.** Borrower acknowledges and agrees that (1) Borrower has carefully read and understands all of the terms of the Loan Documents; (2) Borrower has executed the Loan Documents freely and voluntarily, after having consulted with Borrower's independent legal counsel and after having had all of the terms of the Loan Documents explained to it by its independent legal counsel or after having had a full and adequate opportunity to consult with Borrower's independent legal counsel; (3) the waivers contained in the Loan Documents are reasonable, not contrary to public policy or law, and have been intentionally, intelligently, knowingly, and voluntarily agreed to by Borrower; (4) the waivers contained in the Loan Documents have been agreed to by Borrower with full knowledge of their significance and consequences, including full knowledge of the specific nature of any rights or defenses which Borrower has agreed to waive pursuant to the Loan Documents; (5) Borrower has had a full and adequate opportunity to negotiate the terms contained in the Loan Documents; (6) Borrower is experienced in and familiar with loan transactions of the type evidenced by the Loan Documents; and (7) the waivers contained in the Loan Documents are material inducements to the Lender's extension of credit to Borrower, and the Lender has relied on such waivers in making the Loan to Borrower and will continue to rely on such waivers in any related future dealings with Borrower. The waivers contained in the Loan Documents shall apply to all subsequent extensions, renewals, modifications, and replacements of the Loan Documents, except to the extent expressly provided therein.

6.24 **Termination.** The Borrower may, at any time, in whole permanently terminate the Commitment upon prior written notice to the Lender. Upon any such termination and repayment in full of any outstanding Loan, accrued interest and any fees and expenses under the Loan Documents, the Lender shall execute and deliver to the Borrower and/or authorize the filing of, at the Borrower's expense, all documents that the Borrower shall reasonably request to evidence such termination and the release of liens and termination of each Loan Document.

6.25 **Successors.** Subject to the restrictions contained in the Loan Documents, the Loan Documents shall be binding upon and inure to the benefit of the Lender and Borrower and their respective permitted successors and assigns.

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Borrower:

PJT Partners Holdings LP

By: **PJT Partners Inc., its General Partner**

By: /s/ Helen T. Meates

Name: Helen T. Meates

Title: CFO

Lender:

First Republic Bank

By: /s/ Stephen J. Szanto

Name: Stephen J. Szanto

Title: Managing Director

ARTICLE 1

FIRST REPUBLIC BANK
It's a privilege to serve you®

Exhibit A

AMENDED AND RESTATED PROMISSORY NOTE

(Line of Credit - Prime Rate Adjustable - Interest Only)

$40,000,000.00 **October 1, 2018**

Promise to Pay. At the times stated in this Note, for value received, **PJT Partners Holdings LP** ("Borrower"), promises to pay to **First Republic Bank** ("Lender"), or order, at 111 Pine Street, San Francisco, California 94111, Attention: Commercial Loan Operations, or at such other place as the Lender may from time to time designate in writing, the principal sum of **Forty Million and no/100 Dollars ($40,000,000.00)**, or so much thereof as may be disbursed by the Lender, with interest from the date of initial disbursement of all or any part of the principal of this Note (the "Disbursement Date") on unpaid principal at the interest rate or interest rates provided for in this Note.

The principal amount of this Note is subject to an increase of up to Sixty Million and no/100 Dollars ($60,000,000) from time to time pursuant to the provisions of the Loan Agreement relating to the Increase.

This Amended and Restated Promissory Note ("Note") supersedes and replaces in its entirety that certain Promissory Note dated October 1, 2015 (the "2015 Note"), which is deemed cancelled and no longer in effect.

Interest Rate; Payment of Principal and Interest.

Certain Definitions. For purposes of this Note, the following terms shall have the following definitions:

Note Rate. The per annum interest rate on the principal sum of this Note which is outstanding from time to time.

Index. The rate of interest published in the Western Edition of The Wall Street Journal as the U.S. "prime rate".

Interest Payment Date. **November 15, 2018** and the same date of each month thereafter (or if such date is not a Business Day, then the next succeeding Business Day) to and including the same date of the month immediately preceding the month in which the Maturity Date occurs.

Interest. From the Disbursement Date to the Maturity Date of this Note, the Note Rate shall be equal to the greater of (i) the Index **minus one percent (1.0%)** per annum rounded upward to the nearest one-eighth (1/8th) of one percentage point (0.125%), and (ii) three percent (3.0%) per annum, subject to Section 4 below. The Note Rate shall be adjusted concurrently with, and such adjustments shall be effective on the same date as, adjustments announced in the Index.

Payments. Principal and interest shall be due and payable as follows:

(a) Interest Payments. Interest shall be payable in arrears commencing on the first (1st) Interest Payment Date after the Disbursement Date and continuing on each Interest Payment Date thereafter until the Maturity Date.

(b) Payment on Maturity Date. The entire unpaid principal balance of this Note and all accrued and unpaid interest thereon shall be due and payable on **October 1, 2020** (the "Maturity Date"). BORROWER ACKNOWLEDGES AND AGREES THAT (1) THE LOAN EVIDENCED BY THIS NOTE IS NOT AN AMORTIZING LOAN; AND (2) THE ENTIRE PRINCIPAL BALANCE OF THIS NOTE SHALL BE DUE AND PAYABLE ON THE MATURITY DATE OF THIS NOTE.

Loan Agreement; Interest Computation. This Note arises out of a Loan Agreement dated the same date as this Note (the "Loan Agreement") executed by Borrower and Lender. This Note is the "Line of Credit Note" described in the Loan Agreement. All terms with an initial capital letter that are used but not specifically defined in this Note shall have respective meanings given to such terms in the Loan Agreement. All payments under this Note shall be made in immediately available funds and shall be credited first to accrued interest then due, thereafter to unpaid principal, and then to other charges, fees, costs, and expenses payable by Borrower under this Note or in connection with the loan evidenced by this Note (the "Loan") in such order and amounts as the Lender may determine in its sole and absolute discretion. If any payment of interest is not made when due, at the option of the Lender, such interest payment shall bear interest at the same rate as principal from and after the due date of the interest payment. Principal and interest shall be payable only in lawful money of the United States of America. The receipt of any check or other item of payment (a "payment item") by the Lender, at its option, shall not be considered a payment until such payment item is honored when presented for payment at the drawee bank or institution, and the Lender, at its option, may delay the credit of such payment until such payment item is so honored. Notwithstanding anything to the contrary contained in this Note, interest at the rates provided for in this Note shall be computed on the basis of a three hundred sixty (360) day year for the actual number of days during which the principal balance of this Note is outstanding. Borrower acknowledges and agrees that the calculation of interest on the basis described in the immediately preceding sentence may result in the accrual and payment of interest in amounts greater than those which would be payable if interest were calculated on the basis of a three hundred sixty-five (365) day year.

After Maturity/Default Rate of Interest. From and after either (a) the occurrence of an Event of Default (whether or not the Lender has elected to accelerate unpaid principal and interest under this Note as a result of such Event of Default); or (b) the maturity of this Note (whether the stated maturity date of this Note or the maturity date resulting from the Lender's acceleration of unpaid principal and interest), then in either of such circumstances, interest on any unpaid principal balance of this Note that is overdue shall accrue at a rate equal to two percent (2.00%) per annum above the otherwise applicable Note Rate.

Late Charge. If any installment of interest under this Note is not paid within ten (10) days after the date on which it is due (other than as a result of Lender's failure to make any automatic deduction from the Account (if sufficient funds are then in the Account) or Lender's gross negligence or willful misconduct), Borrower shall immediately pay a late charge equal to two percent (2.00%) of such installment to the Lender to compensate the Lender for administrative costs and expenses incurred in connection with such late payment. Borrower agrees that the actual damages suffered by the Lender because of any late installment payment are extremely difficult and impracticable to ascertain, and the late charge described in this Section represents a reasonable attempt to fix such damages under the circumstances existing at the time this Note is executed. The Lender's acceptance of any late charge shall not constitute a waiver of any of the terms of this Note and shall not affect the Lender's right to enforce any of its rights and remedies against any Person liable for payment of this Note.

Waivers. Borrower and all sureties, guarantors, endorsers and other Persons liable for payment of this Note (a) waive presentment, demand for payment, protest, notice of demand, dishonor, protest and nonpayment, and all other notices and demands in connection with the delivery, acceptance, performance, default under, and enforcement of this Note; (b) waive the right to assert any statute of limitations as a defense to the enforcement of this Note to the fullest extent permitted by law; (c) consent to all extensions and renewals of the time of payment of this Note and to all modifications of this Note by the Lender and Borrower without notice to and without in any way affecting the liability of any Person for payment of this Note; and (d) consent to any forbearance by the Lender and to the release, addition, and substitution of any Person liable for payment of this Note and of any or all of the security for this Note without notice to and without in any way affecting the liability of any Person for payment of this Note.

Default. The Loan Agreement provides, among other things, for the acceleration of the unpaid principal balance and accrued interest under this Note upon the occurrence of certain events. The Lender, at its option and without notice to or demand on Borrower or any other Person, may terminate any or all obligations which it may have to extend further credit to Borrower and may declare the entire unpaid principal balance of this Note and all accrued interest thereon to be immediately due and payable upon the occurrence and during the continuation of any Event of Default.

Application of Payments. Upon the occurrence and during the continuation of any Event of Default, the Lender, at its option, shall have the right to apply all payments made under this Note to principal, interest, and other charges, fees, costs and expenses payable by Borrower under this Note or in connection with the Loan in such order and amounts as the Lender may determine in its sole and absolute discretion.

Modifications; Cumulative Remedies; Loss of Note; Time of Essence. No modification or waiver by the Lender of any of the terms of this Note shall be valid or binding on the Lender unless such modification or waiver is in writing and signed by the Lender. The Lender's rights and remedies under this Note are cumulative with and in addition to all other legal and equitable rights and remedies which the Lender may have in connection with the Loan. The headings to sections of this Note are for convenient reference only and shall not be used in interpreting this Note. If this Note is lost, stolen, or destroyed, upon Borrower's receipt of a reasonably satisfactory indemnification agreement executed by the Lender, or if this Note is mutilated, upon the Lender's surrender of the mutilated Note to Borrower, Borrower shall execute and deliver to the Lender a new promissory note which is identical in form and content to this Note to replace the lost, stolen, destroyed or mutilated Note. Time is of the essence in the performance of each provision of this Note by Borrower.

Attorneys' Fees. If Borrower defaults under any of the terms of this Note, Borrower shall pay all costs and expenses, including without limitation attorneys' fees and costs, incurred by the Lender in enforcing this Note immediately upon the Lender's demand, whether or not any action or proceeding is commenced by the Lender.

Applicable Law; Prepayment; Successors. This Note shall be governed by and interpreted in accordance with the laws of the State of New York. Borrower shall have the right to prepay all or part of the outstanding principal balance of this Note at any time without payment to the Lender of a prepayment fee or charge. This Note shall be the joint and several obligation of all Persons executing this Note as Borrower and all sureties, guarantors, and endorsers of this Note, and this Note shall be binding upon each of such Persons and their respective successors and permitted assigns. This Note shall inure to the benefit of the Lender and its successors and permitted assigns.

Index. If the Index becomes unavailable, the Lender shall, in consultation with the Borrower, select a comparable index (the "Substituted Index"). In such event, if applicable, the Lender shall adjust the interest rate spread set forth above (the "Spread") such that the sum of the Substituted Index and the adjusted Spread equals the sum of the prior Index plus the prior Spread. Borrower acknowledges that the Index may not represent the lowest interest rate charged by the Lender and that Lender may make loans at, above or below the Index or based on other reference rates.

Security. This Note is secured by the Security Agreements.

Cancellation of 2015 Note. Lender, by its acceptance of this Note, agrees to promptly return the original 2015 Note marked "cancelled" to Borrower at the address provided by Borrower to Lender.

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BORROWER:

PJT Partners Holdings LP

By: PJT Partners, Inc., its General Partner

By: /s/ Helen T. Meates

Name: Helen T. Meates

Title: CFO

FIRST REPUBLIC BANK
It's a privilege to serve you®

Exhibit B

PROMISSORY NOTE

(Term Loan - Prime Rate Adjustable - Fixed Principal Payments Plus Interest)

$30,000,000.00 **October 1, 2018**

Promise to Pay. At the times stated in this Note, for value received, **PJT Partners Holdings LP** ("Borrower"), promises to pay to **First Republic Bank** ("Lender"), or order, at **111 Pine Street, San Francisco, California 94111, Attention: Commercial Loan Operations**, or at such other place as the Lender may from time to time designate in writing, the principal sum of **Thirty Million and no/100 Dollars ($30,000,000.00)**, or so much thereof as may be disbursed by the Lender, with interest from the date of initial disbursement of all or any part of the principal of this Note (the "Disbursement Date") on unpaid principal at the interest rate or interest rates provided for in this Note.

Interest Rate; Payment of Principal and Interest.

Certain Definitions. For purposes of this Note, the following terms shall have the following definitions:

Note Rate. The per annum interest rate on the principal sum of this Note which is outstanding from time to time.

Index. The rate of interest published in the Western Edition of The Wall Street Journal as the U.S. "prime rate".

Interest Payment Date. **November 15, 2018** and the same date of each month thereafter (or if such date is not a Business Day, then the next succeeding Business Day) to and including the same date of the month immediately preceding the month in which the Maturity Date occurs.

"Principal Payment Date" means **July 1, 2019** and the first day of each fiscal quarter thereafter to the Maturity Date.

Interest. From the Disbursement Date to the Maturity Date of this Note, the Note Rate shall be equal to the greater of (i) the Index **minus three-quarters of one percent (0.75%)** per annum rounded upward to the nearest one-eighth (1/8th) of one percentage point (0.125%), and (ii) three and one-quarter percent (3.25%) per annum, subject to Section 4 below. The Note Rate shall be adjusted concurrently with, and such adjustments shall be effective on the same date as, adjustments announced in the Index.

Payments. Principal and interest shall be due and payable as follows:

Interest Payments. Interest shall be payable in arrears commencing on the first (1st) Interest Payment Date after the Disbursement Date and continuing on each Interest Payment Date thereafter until the Maturity Date.

Fixed Principal Payments. In addition to the interest installment payments described above, Borrower shall pay to the Lender installment payments of principal in the amount of (i) **Four Million Two Hundred Fifty Thousand and 00/100 Dollars ($4,250,000.00)** each commencing on the first (1st) Principal Payment Date following the Disbursement Date and continuing on each Principal Payment Date thereafter prior to the Maturity Date and (ii) **Four Million Five Hundred Thousand and 00/100 Dollars ($4,500,000.00)** on the Maturity Date.

Payment on Maturity Date. The entire unpaid principal balance of this Note and all accrued and unpaid interest thereon shall be due and payable on **January 2, 2021** (the "Maturity Date"). BORROWER ACKNOWLEDGES AND AGREES THAT (1) THE LOAN EVIDENCED BY THIS NOTE IS NOT A FULLY AMORTIZING LOAN; AND (2) A SUBSTANTIAL PRINCIPAL BALANCE OR BALLOON PAYMENT OF PRINCIPAL SHALL BE DUE AND PAYABLE ON THE MATURITY DATE OF THIS NOTE.

Loan Agreement; Interest Computation. This Note arises out of a Loan Agreement dated the same date as this Note (the "Loan Agreement") executed by Borrower. This Note is the "Term Loan Note" described in the Loan Agreement. All terms with an initial capital letter that are used but not specifically defined in this Note shall have respective meanings given to such terms in the Loan Agreement. All payments under this Note shall be made in immediately available funds and shall be credited first to accrued interest then due, thereafter to unpaid principal, and then to other charges, fees, costs, and expenses payable by Borrower under this Note or in connection with the loan evidenced by this Note (the "Loan") in such order and amounts as the Lender may determine in its sole and absolute discretion. If any payment of interest is not made when due, at the option of the Lender, such interest payment shall bear interest at the same rate as principal from and after the due date of the interest payment. Principal and interest shall be payable only in lawful money of the United States of America. The receipt of any check or other item of payment (a "payment item") by the Lender, at its option, shall not be considered a payment until such payment item is honored when presented for payment at the drawee bank or institution, and the Lender, at its option, may delay the credit of such payment until such payment item is so honored. Notwithstanding anything to the contrary contained in this Note, interest at the rates provided for in this Note shall be computed on the basis of a three hundred sixty (360) day year for the actual number of days during which the principal balance of this Note is outstanding. Borrower acknowledges and agrees that the calculation of interest on the basis described in the immediately preceding sentence may result in the accrual and payment of interest in amounts greater than those which would be payable if interest were calculated on the basis of a three hundred sixty-five (365) day year.

After Maturity/Default Rate of Interest. From and after either (a) the occurrence of an Event of Default (whether or not the Lender has elected to accelerate unpaid principal and interest under this Note as a result of such Event of Default); or (b) the maturity of this Note (whether the stated maturity date of this Note or the maturity date resulting from the Lender's acceleration of unpaid principal and interest), then in either of such circumstances, interest on any unpaid principal balance of this Note that is overdue shall accrue at a rate equal to two percent (2%) per annum above the otherwise applicable Note Rate.

Late Charge. If any installment of interest, principal, or both principal and interest under this Note is not paid within ten (10) days after the date on which it is due (other than as a result of Lender's failure to make any automatic deduction from the Account (if sufficient funds are then in the Account) or Lender's gross negligence or willful misconduct), Borrower shall immediately pay a late charge equal to two percent (2.00%) of such installment to the Lender to compensate the Lender for administrative costs and expenses incurred in connection with such late payment. Borrower agrees that the actual damages suffered by the Lender because of any late installment payment are extremely difficult and impracticable to ascertain, and the late charge described in this Section represents a reasonable attempt to fix such damages under the circumstances existing at the time this Note is executed. The Lender's acceptance of any late charge shall not constitute a waiver of any of the terms of this Note and shall not affect the Lender's right to enforce any of its rights and remedies against any Person liable for payment of this Note.

Waivers. Borrower and all sureties, guarantors, endorsers and other Persons liable for payment of this Note (a) waive presentment, demand for payment, protest, notice of demand, dishonor, protest and nonpayment, and all other notices and demands in connection with the delivery, acceptance, performance, default under, and enforcement of this Note; (b) waive the right to assert any statute of limitations as a defense to the enforcement of this Note to the fullest extent permitted by law; (c) consent to all extensions and renewals of the time of payment of this Note and to all modifications of this Note by the Lender and Borrower without notice to and without in any way affecting the liability of any Person for payment of this Note; and (d) consent to any forbearance by the Lender and to the release, addition, and substitution of any Person liable for payment of this Note and of any or all of the security for this Note without notice to and without in any way affecting the liability of any Person for payment of this Note.

Default. The Loan Agreement provides, among other things, for the acceleration of the unpaid principal balance and accrued interest under this Note upon the occurrence of certain events. The Lender, at its option and without notice to or demand on Borrower or any other Person, may terminate any or all obligations which it may have to extend further credit to Borrower and may declare the entire unpaid principal balance of this Note and all accrued interest thereon to be immediately due and payable upon the occurrence and during the continuation of any Event of Default.

Application of Payments. Upon the occurrence and during the continuation of any Event of Default, the Lender, at its option, shall have the right to apply all payments made under this Note to principal, interest, and other charges, fees, costs and expenses payable by Borrower under this Note or in connection with the Loan in such order and amounts as the Lender may determine in its sole and absolute discretion.

Modifications; Cumulative Remedies; Loss of Note; Time of Essence. No modification or waiver by the Lender of any of the terms of this Note shall be valid or binding on the Lender unless such modification or waiver is in writing and signed by the Lender. The Lender's rights and remedies under this Note are cumulative with and in addition to all other legal and equitable rights and remedies which the Lender may have in connection with the Loan. The headings to sections of this Note are for convenient reference only and shall not be used in interpreting this Note. If this Note is lost, stolen, or destroyed, upon Borrower's receipt of a reasonably satisfactory indemnification agreement executed by the Lender, or if this Note is mutilated, upon the Lender's surrender of the mutilated Note to Borrower, Borrower shall execute and deliver to the Lender a new promissory note which is identical in form and content to this Note to replace the lost, stolen, destroyed or mutilated Note. Time is of the essence in the performance of each provision of this Note by Borrower.

Attorneys' Fees. If Borrower defaults under any of the terms of this Note, Borrower shall pay all costs and expenses, including without limitation attorneys' fees and costs, incurred by the Lender in enforcing this Note immediately upon the Lender's demand, whether or not any action or proceeding is commenced by the Lender.

Applicable Law; Prepayment; Successors. This Note shall be governed by and interpreted in accordance with the laws of the State of New York. Borrower shall have the right to prepay all or part of the outstanding principal balance of this Note at any time without payment to the Lender of a prepayment fee or charge. Any prepayment shall be applied to principal due hereunder in reverse chronological order. This Note shall be the joint and several obligation of all Persons executing this Note as Borrower and all sureties, guarantors, and endorsers of this Note, and this Note shall be binding upon each of such Persons and their respective successors and permitted assigns. This Note shall inure to the benefit of the Lender and its successors and permitted assigns.

Index. If the Index becomes unavailable, the Lender shall, in consultation with the Borrower, select a comparable index (the "Substituted Index"). In such event, if applicable, the Lender shall adjust the interest rate spread set forth above (the "Spread") such that the sum of the Substituted Index and the adjusted Spread equals the sum of the prior Index plus the prior Spread. Borrower acknowledges that the Index may not represent the lowest interest rate charged by the Lender and that Lender may make loans at, above or below the Index or based on other reference rates.

Security. This Note is secured by the Security Agreements.

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BORROWER:

PJT Partners Holdings LP

By: PJT Partners, Inc., its General Partner

By: /s/ Helen T. Meates

Name: Helen T. Meates

Title: CFO

Exhibit C

LOAN SCHEDULE

This Loan Schedule is an integral part of the Amended and Restated Loan Agreement between the Lender and Borrower, and the following terms are incorporated in and made a part of the Amended and Restated Loan Agreement to which this Loan Schedule is attached:

1. **Borrower:** Borrower represents that its name, address and trade name are as follows:

   1.1 **Name:** PJT Partners Holdings LP

   1.2 **Trade Name or DBA:** None

   1.3 **Notice Address:** c/o Helen Meates, Chief Financial Officer
   280 Park Avenue
   New York, NY 10017

2. **Third Party Pledgors:** Each of Park Hill Group LLC and PJT Partners LP

3. **Lender's Notice Address:** First Republic Bank
   111 Pine Street
   San Francisco, California 94111
   Attention: Manager, Commercial Loan Operations

4. **Fees:** Borrower hereby agrees to pay to Lender the following fees at the times specified.

   4.1 **Closing Loan Fees.**

   (a) With respect to the Term Loan, at or before the Loan Closing, a loan fee of $60,000.00 is payable.

   (b) With respect to the Line of Credit Loan, at or before the Loan Closing, a loan fee of $40,000.00 is payable.

   4.2 **Unused Commitment Fee.** An unused commitment fee of 0.125% per annum of the aggregate unused Commitment (including pursuant to any Increase), payable quarterly in arrears within 15 days after the end of each quarter and on the Maturity Date.

   4.3 **Other Fees.** Any other fees payable concurrently herewith and detailed on the Loan Disbursement Instructions.

5. **Nature of Line of Credit Loan and Nature of Term Loan:** The Line of Credit Loan is a revolving line of credit loan, and within the limits of the Commitment, and subject to the terms and conditions of this Agreement and the other Loan Documents, Borrower may borrow, prepay and reborrow the principal amount of the Line of Credit Loan from time to time. The Term Loan is not a line of credit loan, and none of the amounts paid or prepaid thereunder may be reborrowed.

6. Account Authorizations:

6.1 Automatic Payment Authorization. Borrower authorizes the Lender to make automatic deductions ("Auto Debit") from the following deposit account (the "Account") maintained by Borrower at Lender's offices in order to pay, when and as due, all installment payments of interest, and/or principal, renewal, modification or other fees or payments (a "Payment") that Borrower is required or obligated to pay Lender under the Note:

Account No:

Without limiting any of the terms of the Loan Documents, Borrower acknowledges and agrees that if Borrower defaults in its obligation to make a Payment because the collected funds in the Account are insufficient to make such Payment in full on the date that such Payment is due, then Borrower shall be responsible for all late payment charges and other consequences of such default by Borrower under the terms of the Loan Documents.

6.2 Revocation of Authorization. Subject to the Section immediately following this Section, this authorization shall continue in full force and effect until the date which is five (5) business days after the date on which Lender actually receives written notice from Borrower expressly revoking the authority granted to the Lender to charge the Account for Payments in connection with the Loan. No such revocation by Borrower shall in any way release Borrower from or otherwise affect Borrower's obligations under the Loan Documents, including Borrower's obligations to continue to make all Payments required under the terms of the Note.

6.3 Termination by Lender. The Lender, at its option and in its discretion, reserves the right to terminate the arrangement for Auto Debit pursuant to this Section at any time effective upon written notice of such election (a "Termination Notice") given by Lender to Borrower. Without limiting the generality of the immediately preceding sentence, the Lender may elect to give a Termination Notice to Borrower if Borrower fails to comply with any of the Lender's rules, regulations, or policies relating to the Account, including requirements regarding minimum balance, service charges, overdrafts, insufficient funds, uncollected funds, returned items, and limitations on withdrawals.

6.4 Increase in Interest Rate Upon Termination of Auto Debit. The date on which the arrangement for Auto Debit terminates (whether as a result of Borrower's revocation of such arrangement or any Termination Notice given by the Lender), is referred to as the "Auto Debit Termination Date". Borrower acknowledges and agrees that the Lender would not have been willing to make the Loan at the interest rate contained in the Note in the absence of the arrangement for Auto Debit from the Account pursuant to this authorization. Therefore, effective on the first due date of a Payment following the Auto Debit Termination Date, Lender, at its option and in its discretion, shall have the right to increase the interest rate on the outstanding principal balance of the Note to a rate which is equal to **one-half of one percent (0.5%)** per annum (the "Percentage Rate Increase") above the otherwise applicable interest rate under the terms of the Note.

Exhibit D

COVENANTS

This Exhibit D is an integral part of the Agreement between the Lender and Borrower, and the following terms are incorporated in and made a part of the Agreement to which this Exhibit D is attached:

1. **Financial Covenants.**

1.1 No Additional Indebtedness. Without the prior written consent of the Lender, Borrower: (a) shall not incur indebtedness for borrowed money during the term of this Agreement, excluding (i) debts owing by Borrower as of the date of this Agreement that were previously disclosed in writing to Lender, (ii) other borrowing from the Lender (or an affiliate of Lender), (iii) unsecured debt incurred in the ordinary course of business, (iv) indebtedness incurred to finance the acquisition, construction or improvement of any fixed or capital assets (including capital lease obligations) and any indebtedness assumed in connection with the acquisition of any such assets, (v) debts owing by Borrower to another Loan Party or any affiliate of a Loan Party and (vi) other indebtedness up to an aggregate amount not to exceed $20,000,000 at any time outstanding (which other indebtedness under this clause (vi) shall include but not be limited to all indebtedness that is excluded from liabilities pursuant to Sections (b) and (c) of the definition of "Tangible Net Worth" in Section 1.2 of this Exhibit D and all indebtedness that is excluded from the definition of "Debt" in Section 1.3 of this Exhibit D); and (b) shall not directly or indirectly make, create, incur, assume or permit to exist any guaranty of any kind of any indebtedness of any other Person during the term of this Agreement, excluding (i) any guaranties by Borrower as of the date of this Agreement previously disclosed in writing to Lender, (ii) guaranties by Borrower incurred in connection with any employee loan program arranged by Lender, (iii) guaranties incurred in connection with lease agreements entered into by the Borrower or any of its affiliates and other guaranties incurred in the ordinary course of business (including in respect of any leasehold obligations) and not in respect of indebtedness for borrowed money and (iv) guaranties in respect of indebtedness of Borrower's affiliates if the Borrower would have been able to incur such indebtedness directly under the foregoing clause (a), provided that the amount of such guaranties under this Section (1.1)(iii) and (iv) do not exceed an aggregate face value of $20,000,000 in the aggregate at any time.

1.2 Minimum Tangible Net Worth. Borrower shall at all times maintain a Tangible Net Worth of not less than $250,000,000.

"Tangible Net Worth" is defined as the excess of total assets minus total liabilities, determined in accordance with generally accepted accounting principles with the following adjustments: (a) there will be excluded from assets (i) notes, accounts receivable and other obligations owing from officers, members, partners or affiliates, and (ii) all assets which would be classified as intangible assets under generally accepted accounting principles including goodwill, licenses, patents, trademarks, trade names, copyrights, capitalized software and organizational costs and franchises; (b) there will be excluded from liabilities all indebtedness which is either secured on a junior lien basis with respect to the Obligations, unsecured or subordinated to the Obligations; and (c) there will be excluded from liabilities all liabilities in respect of any deferred rent obligations.

1.3 Minimum Cash Flow Coverage Ratio. Borrower shall maintain a Minimum Cash Flow Coverage Ratio of not less than 1.50:1.00. This ratio shall be measured on a calendar year-to-date basis as of December 31, 2018 and on a calendar year-to-date basis as of the end of each successive calendar quarter thereafter.

"Minimum Cash Flow Coverage Ratio" for each applicable calendar year-to-date measurement period is defined as (i) annual net income plus interest, taxes, depreciation and amortization plus any recorded non-

cash expense related to restricted stock units granted to employees minus dividends and distributions paid divided by (ii) the sum of required principal payments plus interest expense.

1.4 **Leverage Ratio.** Borrower shall at all times maintain a ratio of Debt to Adjusted EBITDA as follows, measured as of the last day of each quarter:

(a) if Adjusted EBITDA is equal to or greater than $35,000,000, then such ratio shall not exceed 2.00:1.00;

(b) if Adjusted EBITDA is equal to or greater than $20,000,000 but less than $35,000,000, then such ratio shall not exceed 1.50:1.00; and

(c) if Adjusted EBITDA is less than $20,000,000, then such ratio shall not exceed 1.00:1.00.

The term "Debt" means total liabilities of Borrower minus (x) any indebtedness which is either secured on a junior lien basis with respect to the Obligations, unsecured or subordinated to the Obligations and (y) any unsecured indebtedness that is junior in priority to the Loans. For the avoidance of doubt, "Debt" shall include the indebtedness of any other entity (including any partnership in which the Borrower is a general partner) to the extent the Borrower is liable therefor as a result of the Borrower's ownership interest in or other relationship with such entity, except to the extent the terms of such indebtedness expressly provide that the Borrower is not liable therefor.

The term "Adjusted EBITDA" means Borrower's EBITDA for the previous four quarters plus any recorded non-cash expenses related to restricted stock units granted to employees during such four quarters less any dividends paid during such four quarters.

1.5 **Liquidity.** Borrower shall at all times maintain on a consolidated basis a ratio of Unencumbered Liquid Assets to then total current liabilities of not less than 1.25:1.00. This ratio shall be measured quarterly as of the last day of each quarter.

"Unencumbered Liquid Assets" is defined as the following assets: (a) cash and certificates of deposit; (b) the fair market value of treasury bills and other obligations of the U.S. Federal Government; (c) readily marketable securities that can be converted into cash within three (3) days without penalty or prepayment fee; (d) commercial paper; (e) Eligible Accounts Receivable and (f) money market mutual or similar funds that invest exclusively in assets satisfying the requirements of clauses (a) through (d) of this definition. Excluded from assets are (g) retirement accounts and (h) restricted stock and stock subject to provisions of Rule 144 of the Securities and Exchange Commission.

The term "Eligible Accounts Receivable" means (a) 50% of all bona fide accounts receivable generated in the ordinary course of business of Park Hill Group LLC, and (b) 75% of all bona fide accounts receivable generated in the ordinary course of business of Borrower and PJT Partners LP; provided, however, that the term Eligible Accounts Receivable shall not include (i) any accounts receivable in which Lender does not have a perfected security interest of first priority or (ii) any accounts receivable:

(A) that have been invoiced and not paid within 90 days of the due date;

(B) for which any of the actions described in Sections 4.1(e), (h), (i) or (j) hereof has occurred with respect to the account debtor;

(C) with respect to which the account debtor disputes liability or makes any claim and Lender reasonably believes that there is a basis for such dispute (but only up to the disputed or claimed amount);

(D) with respect to which the Borrower or any of its affiliates owes the account debtor, but only to the amount owed (i.e., contra accounts); or

(E) with respect to which the account debtor is an affiliate of the Borrower or an officer or director of the Borrower or any or its affiliates, or any Person having the power or ability to control the Borrower. For the avoidance of doubt, The Blackstone Group L.P. and its subsidiaries shall not be deemed affiliates of the Borrower.

The Eligible Accounts Receivable shall be determined from the quarterly accounts receivable aging statement submitted by the Borrower pursuant to this Agreement.

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2. Reporting Covenants.

2.1 Annual Financial Statements for General Partner of the Borrower. Borrower shall deliver to Lender annual financial statements, including balance sheet and income statements, within 90 days after the end of each fiscal year, which financial statements shall be audited by an independent certified public accountant of national standing (or otherwise reasonably acceptable to Lender).

2.2 Interim Financial Statements for General Partner of the Borrower. Borrower shall deliver to Lender internally prepared quarterly financial statements (excluding any notes thereto), including balance sheet and income statements, within 60 days after the end of each fiscal quarter, certified by such entity's chief financial officer or other officer or representative of such entity acceptable to Lender.

2.3 Compliance Certificate. Borrower shall deliver to Lender quarterly a compliance certificate, on Lender's standard form, within 45 days after the end of each quarter, certified by Borrower's chief financial officer or other officer or representative of Borrower acceptable to Lender.

2.4 Accounts Receivable Aging Statement. Borrower shall, and shall ensure that each Pledgor shall, deliver to Lender quarterly accounts receivable aging statements, substantially in the form delivered to Lender in connection with the Loan Closing, within 45 days after the end of each fiscal quarter, certified by the chief financial officer of Borrower/Pledgor or other officer or representative of each such entity acceptable to Lender.

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3. Conditions to Closing.

3.1 Documents. Lender shall have received in form and substance satisfactory to Lender, the documents listed in the Loan Disbursement Instructions, and an Accounts Receivable Aging Statement for Borrower as of August 31, 2018.

3.2 No Default. No Default or Event of Default shall have occurred and be continuing.

4. Conditions to Funding of the Term Loan.

4.1 Merger Consummated. The transactions contemplated by the Merger Agreement and payments to be made thereunder shall have been consummated on the terms set forth in the Merger Agreement without a waiver by Borrower or its affiliates of any of the material provisions thereof and, without limitation of the foregoing, (i) the Merger Agreement Consideration shall not have increased above $190,000,000, (ii) the Merger Agreement Consideration shall not include the issuance of any indebtedness by Borrower or any of its affiliates, (iii) all indebtedness for borrowed money of CamberView and its affiliates shall be fully repaid concurrently with the consummation of the transactions contemplated by the Merger Agreement and (iv) immediately after the consummation of the transactions contemplated by the Merger Agreement, Borrower shall be in full compliance with the terms of the Loan Documents.

4.2 **CamberView Payoff Letter**. On or before the Loan Closing, the CamberView Loan lender shall have delivered a payoff letter to CamberView for the full amount of all indebtedness of CamberView with respect to the CamberView Loan. Such payoff letter shall be in form and substance reasonably satisfactory to Lender and, without limitation, shall provide for an indebtedness payoff amount less than the amount of the Term Loan and for the release of all of the CamberView Loan lender's security interests in all assets of CamberView upon receipt of payment thereof.

4.3 **Line of Credit Loan**. If applicable, the Line of Credit Loan shall have been repaid to an outstanding principal amount of $40,000,000 or less.

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION

I, Paul J. Taubman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 of PJT Partners 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: November 2, 2018

/s/ Paul J. Taubman
Paul J. Taubman
Chief Executive Officer

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION

I, Helen T. Meates, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2018 of PJT Partners 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: November 2, 2018

/s/ Helen T. Meates
Helen T. Meates
Chief Financial Officer

Exhibit 32.1

Certification of the Chief Executive Officer
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 of PJT Partners Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Paul J. Taubman, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: November 2, 2018

/s/ Paul J. Taubman
Paul J. Taubman
Chief Executive Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 32.2

Certification of the Chief Financial Officer
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 of PJT Partners Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Helen T. Meates, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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: November 2, 2018

/s/ Helen T. Meates
Helen T. Meates
Chief Financial Officer

* The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.