CROSS ATLANTIC TECHNOLOGY FUND, L.P.

AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP

Dated as of December 8, 1999

as Amended by Amendment No. 1 thereto dated as of December 14, 1999

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AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP dated as of December 8, 1999, as amended by Amendment No. 1 thereto dated as of December 14, 1999, among **XATF MANAGEMENT, L.P.**, a Delaware limited partnership (the "General Partner"), the parties listed as limited partners on Schedule A (the "Limited Partners") and such other persons and entities as shall hereafter become parties to this Agreement in accordance with its terms.

The General Partner and the Initial Limited Partner entered into a Limited Partnership Agreement, dated September 2, 1999 (the "Original Agreement"), and thereby formed a limited partnership named Cross Atlantic Technology Fund, L.P., under the Delaware Revised Uniform Limited Partnership Act as set forth in Title 6, Chapter 17, of the Delaware Code, as amended and in effect from time to time (the "Delaware Act").

The General Partner and the Initial Limited Partner desire to amend and restate the Original Agreement in its entirety as hereinafter set out, and those parties executing this Agreement desire to become Limited Partners of the Partnership on the terms set forth herein.

NOW THEREFORE, the Partners hereby agree that the Original Agreement is hereby amended and restated to read in its entirety as follows:

ARTICLE I

GENERAL PROVISIONS

1.1 Definitions.

For the purposes of this Agreement, the singular of the following terms shall include the plural and the plural shall include the singular; and the following terms shall have the following meanings and all such terms which relate to accounting matters shall be interpreted in accordance with generally accepted accounting principles in effect from time to time except as otherwise specifically provided herein:

"**Additional Limited Partners**" is defined in Section 3.2.

"**Affiliate**" means, as to any person or entity, and all other persons and entities controlling, controlled by or under common control with such person or entity. Without limiting the foregoing, XACP, the executive officers and directors of XACP, and the Principals shall be deemed Affiliates of the Partnership.

"**Affiliated Funds**" means the Co-Investment Fund and Crucible.

"**Assets Under Management**" means the amount of cash and the value, as of any specified date, of all Securities owned by the Partnership (such value to be determined as provided in Section 3.5), including contributions requested and due from Partners.

"**Bankruptcy**" means any (i) assignment for the benefit of creditors, (ii) application for the appointment of a trustee, liquidator, receiver or custodian of any substantial part of the assets of the General Partner, Investment Manager or the Partnership, (iii) filing of a petition or commencement of a proceeding by the General Partner, Investment Manager or the Partnership relating to itself under any bankruptcy, reorganization, arrangement or similar law, (iv) filing of a petition or commencement of a proceeding under any bankruptcy, reorganization, arrangement or similar law against the General Partner, Investment Manager or the Partnership where either (a) such General Partner, Investment Manager or the Partnership has given its consent or (b) such proceeding has continued undischarged and unstayed for a period of 60 days.

"**BHCA**" shall mean the Bank Holding Company Act of 1956, as amended, and the rules and regulations promulgated thereunder.

"**Capital Account**" means, with respect to any Partner, the Closing Capital Account of such Partner then in effect which reflects such Partner's interest in the Partnership.

"**Cash Equivalent Securities**" means all Securities which are issued by any governmental authority or which are bank certificates of deposit, commercial paper, repurchase agreements or so-called money market instruments and other cash equivalent securities.

"**Cause Event**" means the occurrence of any of the following events to the extent that such event would be reasonably likely to result in a material adverse effect on the business, operations, tax liability, affairs or condition (financial or otherwise) of the General Partner, the Partnership or the Investment Manager:

(a) the Bankruptcy or Insolvency of the General Partner, the Investment Manager or the Partnership;

(b) the failure of the General Partner, the Investment Manager or the Partnership to comply with applicable law in a material respect in the conduct of its affairs;

(c) the dissolution, winding-up or liquidation or sale of substantially all of the assets of the business of the General Partner or the Investment Manager;

(d) a determination by the Internal Revenue Service, for federal income tax purposes, or applicable state taxing authority having jurisdiction over the Partnership, for state income tax purposes, that the Partnership is taxable as a corporation or as a publicly traded partnership;

(e) the General Partner, the Investment Manager or the Partnership is in material default of any debt or other monetary obligation in the amount of $5,000,000 or more, which remains uncured for a period of 30 days; or

(f) a breach by the General Partner of any material covenant or representation under this Agreement, which breach is not cured or waived within 30 days following notice thereof by any Limited Partner;

provided, however, that a "Cause Event" shall not include (i) an economic downturn in the business prospects of the Partnership or (ii) any material adverse event affecting the business, operations, tax liability, affairs or condition (financial or otherwise) of any one or more of the Portfolio Companies except to the extent such event results from conduct constituting a "Cause Event" on the part of the General Partner or the Investment Manager described above.

"**Closing Capital Account**" means, with respect to any Partner and any period, the Opening Capital Account of such Partner for such period adjusted in accordance with Section 3.4.

"**Code**" means the Internal Revenue Code of 1986, as amended, and the regulations and interpretations promulgated thereunder and from time to time in effect.

"**Co-Investment Fund**" means the The Co-Investment 1999 Fund, L.P., a Delaware limited partnership.

"**Commitments**" means the commitments of the Limited Partners (including the Additional Limited Partners, if any) and the General Partner to make capital contributions to the Partnership pursuant to Sections 3.1 and 3.2 as set forth on Schedule A, as amended from time to time.

"**Crucible**" means, collectively, Crucible Corporation No. 2 Limited Partnership, a limited partnership formed under the Limited Partnerships Act, 1907, as amended, of the Republic of Ireland, and follow-on limited partnerships thereto established pursuant to substantially the same terms as Crucible Corporation No. 2 Limited Partnership, each headquartered in Dublin, Ireland, in which the Partnership owns a 51% equity interest as of the date hereof.

"**Delaware Act**" is defined in the preamble of this Agreement.

"**Distributive Share**" means the amount that a Partner would have received pursuant to Section 3.6(a) if the Partnership had been liquidated and all adjustments under Section 3.4 had been made at the date in question and all assets of the Partnership had been turned into cash in an amount equal to the value of all such assets determined in accordance with Section 3.5.

"**DOL Regulation**" shall have the meaning set forth in Section 2.4(a).

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the regulations and interpretations thereof promulgated by the Department of Labor and Department of the Treasury from time to time in effect.

"**ERISA Partner**" shall mean a Limited Partner, excluding a Governmental Plan Partner, which is either (i) a "benefit plan investor" within the meaning of Section 2510.3-

101(f)(2) of the DOL Regulation, (ii) an entity at least 25% of whose equity holders are entities described in the foregoing clause (i) or (iii) any pension, profit sharing or other retirement plan sponsored by the United States or any state, municipality or other political subdivision or any instrumentality of any of the foregoing.

"**General Partner**" shall have the meaning in the preamble hereto, and shall include the permitted successors and assigns to each such named General Partner hereunder.

"**Governmental Plan Partner**" shall mean a Limited Partner that is a "governmental plan" within the meaning of ERISA.

"**Guarantee**" shall mean the guarantee executed by the Principals in favor of the Partnership and the Limited Partners dated as of December 8, 1999, and as amended from time to time.

"**Initial Limited Partner**" means Donald Caldwell.

"**Insolvency**" means the admission by the General Partner, Investment Manager or the Partnership in writing that it is unable to pay its debts generally as they come due, the taking by the General Partner, Investment Manager or the Partnership of any action in furtherance of any petition, application or proceeding relating to itself under any bankruptcy, reorganization, arrangement or similar law, the General Partner, Investment Manager or the Partnership becoming insolvent or being unable to pay its obligations and debts when they become due or the entry of an order for relief in any involuntary case against the General Partner, the Investment Manager, or the Partnership under any bankruptcy, reorganization, arrangement or similar law.

"**Limited Partner Interest**" means the interest acquired by each of the Limited Partners in the Partnership pursuant to this Agreement and the Subscription Agreement executed and delivered by such Limited Partner, the General Partner and the Partnership.

"**Investment Advisers Act**" means the Investment Advisers Act of 1940, as amended, and the regulations and interpretations promulgated thereunder and from time to time in effect.

"**Investment Company Act**" means the Investment Company Act of 1940, as amended, and the regulations and interpretations promulgated thereunder and from time to time in effect.

"**Investment Manager**" means Cross Atlantic Capital Partners, Inc., a Delaware corporation, and any assignee thereof approved by the Valuation Committee.

"**Investment Period**" shall mean the period commencing on the date of this Agreement and ending on June 30, 2005.

"**Key Person**" shall mean Donald Caldwell and any other individual who shall succeed Mr. Caldwell as a Key Person, with the consent of the Valuation Committee, including the consent of the designee of each of PSERS and SERS on the Valuation Committee.

"**Legal Representative**" means, with respect to any person, any executor, administrator, committee, guardian, conservator or trustee appointed for such person.

"**Limited Partner**" means each of the parties listed as Limited Partners on Schedule A from time to time.

"**Majority in Interest**" of the Limited Partners means, as of the date of calculation, Limited Partners having made a majority of all capital contributions to the Partnership made by all Limited Partners (excluding for all purposes of this calculation Affiliates of the General Partner).

"**Management Agreement**" means the Investment Management Agreement dated as of the date hereof, between the Partnership and the Investment Manager, as amended or modified from time to time with the approval of the Valuation Committee.

"**Management Fee**" is defined in Section 2.7(a).

"**Media Company**" shall mean an entity that, directly or indirectly, owns, controls or operates or has an attributable interest in(a) a U.S. broadcast radio or television station or a U.S. cable television system, (b) a "daily newspaper," (as such term is defined in Section 73.3555 of the Federal Communication Commission's ("FCC") rules and regulations), (c) any U.S. communications facility operated pursuant to a license granted by the FCC and subject to the provisions of Section 310(b) of the Communications Act of 1934, as amended, or (d) any other business that is subject to FCC regulations under which the ownership of the Partnership in such entity may be attributed to a Limited Partner or under which the ownership of a Limited Partner in another business may be subject to limitation or restriction as a result of the ownership of the Partnership in such entity.

"**Net Losses**" means, with respect to any period, the excess, if any, of (i) all expenses and losses (including realized and unrealized capital depreciation but excluding Operating Expenses) incurred during such period by the Partnership over (ii) the aggregate revenue, income and gains (including realized and unrealized capital appreciation) earned during such period by the Partnership from all sources. For purposes of determining Net Losses, realized and unrealized appreciation and depreciation shall be included without regard to their treatment for Federal, state or local income tax purposes.

"**Net Profits**" means, with respect to any period, the excess, if any, of (i) the aggregate revenue, income and gains (including realized and unrealized capital appreciation) earned during such period by the Partnership from all sources over (ii) all expenses and losses (including realized and unrealized capital depreciation but excluding Operating Expenses) incurred during such period by the Partnership. For purposes of determining Net Profits, realized and unrealized appreciation and depreciation shall be included without regard to their treatment for Federal, state or local income tax purposes.

"**Net Short-Term Investment Income**" shall mean, with respect to any period, the excess, if any, of (i) all Short-Term Investment Income earned during such period by the Partnership over (ii) all Operating Expenses and all losses from Cash Equivalent Securities incurred during such period by the Partnership.

"**Net Short-Term Investment Losses**" shall mean, with respect to any period, the excess, if any, of (i) all Operating Expenses and all losses from Cash Equivalent Securities incurred during such period by the Partnership over (ii) all Short-Term Investment Income earned during such period by the Partnership.

"**Opening Capital Account**" means, with respect to any period:

(i) with respect to any Partner admitted during such period, its initial capital contribution; and

(ii) with respect to any Partner admitted during any prior period, such Partner's Closing Capital Account for the preceding period.

"**Operating Expenses**" shall mean all expenses incurred by the Partnership in connection with its organization, operation and dissolution as set forth in Section 2.7(e).

"**Original Agreement**" shall have the meaning set forth in the preamble of this Agreement.

"**Partners**" means the General Partner and the Limited Partners, including the Initial Limited Partner.

"**Partnership**" shall mean the partnership continued by the Partners pursuant to this Agreement.

"**Portfolio Securities**" shall mean any Securities other than Cash Equivalent Securities.

"**Preferred Return**" means, with respect to each Partner, an amount calculated on a daily basis (and compounded annually) from each day on which such Partner has made a capital contribution to the Partnership through the date of determination equal to eight percent (8%) per annum of the excess, if any, of (i) such Partner's aggregate capital contributions to the Partnership on each day during such period over (ii) the aggregate amount of all distributions made on or prior to each such day to such Partner by the Partnership (regardless of the source or character thereof) under Section 3.6(a)(ii)(A) or Section 3.6(a)(ii)(B), as applicable.

"**Principals**" means each of Donald R. Caldwell, Glenn T. Rieger, Sheryl Daniels-Young and Gerry McCrory for so long as such person shall not be an officer or director of XACP.

"**Private Placement Memorandum**" means the private placement memorandum in respect of the Partnership dated as of September 1999, and as thereafter revised or supplemented.

"**PSERS**" shall mean the Public School Employees' Retirement Board, an Independent Administrative Board of the Commonwealth of Pennsylvania Transacting Business in the name of the Public School Employees' Retirement System and a Governmental Plan Partner as defined herein.

"**Publicly Traded Security**" means a Security which is traded on a recognized national securities exchange or which is listed or admitted to trading on the Nasdaq National Market.

"**Regulated Partner**" shall mean each Limited Partner that is subject to the provisions of Regulation Y.

"**Regulation Y**" shall mean, as of any date, Regulation Y of the Board of Governors of the Federal Reserve System (C.F.R. Part 225) or any similar successor regulation in effect on such date.

"**Retirement**" shall mean the withdrawal of a Limited Partner from the Partnership as provided in Section 4.4.

"**Rule 144**" means Rule 144 promulgated under the Securities Act.

"**Securities**" means and includes common and preferred stock (including warrants, rights, put and call options and other options relating thereto or any combination thereof), notes, bonds, debentures, trust receipts and other obligations, instruments or evidences of indebtedness, interests in personal property of all kinds, tangible or intangible (including cash and bank deposits) and any other property that would be defined as a "security" under the Securities Act.

"**Securities Act**" means the Securities Act of 1933, as amended, and the regulations and interpretations promulgated thereunder and from time to time in effect.

"**SERS**" shall mean Commonwealth of Pennsylvania State Employees' Retirement System.

"**Short-Term Investment Income**" shall mean, with respect to any period, income received by the Partnership from investments in Cash Equivalent Securities (including payments designated as interest pursuant to Sections 3.2(c)(ii) and 3.2(d)(ii)), excluding all other income and appreciation from all other sources.

"**Special Compensation Amounts**" shall mean (i) in the case of cash, the actual amount received, net of expenses incurred in connection therewith, and (ii) in the case of any Security, the actual amount of income recognized for Federal income tax purposes by the person in question in respect of such Security at the time such Security (or the Security received upon exercise or conversion thereof) shall be sold; and (iii) with respect to any such Security that shall not be sold by the person in question at the date of dissolution of the Partnership, the fair market value thereof.

"**Special Limited Partner**" is defined in Section 4.3(c).

"**Subscription Agreements**" shall mean the several subscription agreements entered into by the Partnership and the General Partner with the Limited Partners in connection with their purchase of limited partnership interests in the Partnership.

"**Suspension Event**" shall be deemed to have occurred if (i) at any time during the Investment Period the Key Person shall not be devoting substantially all of his business time to the affairs of the General Partner in the management of the Partnership and to the affairs of the Affiliated Funds, any entity formed after the Trigger Date, any other entity approved by the Valuation Committee and each of the portfolio companies of the foregoing; provided, that if the Valuation Committee, with the consent of the PSERS designee, shall approve a replacement Key Person designated by the General Partner within 90 days of the occurrence of a Suspension Event, then such Suspension Event shall be deemed not to have occurred, or (ii) a Cause Event shall have occurred.

"**Suspension Period**" shall mean the period commencing upon the occurrence of a Suspension Event and shall continue unless terminated with the consent of a Majority in Interest of the Limited Partners.

"**Trigger Date**" shall mean the date on which the sum of (1) the aggregate cost basis of all Portfolio Securities at any time acquired by the Partnership, plus (2) the aggregate amount of binding written commitments of the Partnership to acquire Portfolio Securities, plus (3) the aggregate amount reserved by the Partnership for follow-on investments in issuers of Portfolio Securities at the time held by the Partnership (which amount shall not exceed 10% of the aggregate cost of such Securities), plus (4) the aggregate amount previously paid by the Partnership to cover Operating Expenses, shall exceed 75% of aggregate Commitments.

"**Unpaid Preferred Return**" means, as of any date of distribution, the excess of the Preferred Return calculated as of such date less any amounts distributed to Partners prior to such date pursuant to Section 3.6(a)(ii)(C) or Section 3.6(a)(ii)(D), as applicable.

"**Valuation Committee**" shall mean that committee consisting of up to a maximum of up to five members, one of whom shall be a designee of PSERS for so long as PSERS shall be a Limited Partner, one of whom shall be a designee of SERS for so long as SERS shall be a Limited Partner, and the balance of whom shall be individuals who are representatives of the Limited Partners (other than Affiliates of the General Partner) who shall be designated by the General Partner and approved by a Majority in Interest of the Limited Partners, which members shall initially be John Lane (PSERS' designee), Diane Sterthous (SERS' designee), Ed Hyde, Ted McCaffrey and Nick Zarcone; provided, however, that the General Partner, with the consent of a majority of remaining Valuation Committee members or a Majority in Interest of the Limited Partners, may at any time remove any preson from the Valuation Committee (other than the person designated by PSERS or SERS), and any substitute or additional members of the Valuation Committee (other than the person designated by PSERS or SERS) shall be designated by the General Partner and approved by vote of a majority of the remaining Valuation Committee members or a Majority in Interest of the Limited Partners.

"**XACP**" means Cross Atlantic Capital Partners, Inc., a Delaware corporation that shall serve as the managing general partner of the General Partner.

1.2 Name.

The Partnership shall conduct its activities under the name of "Cross Atlantic Technology Fund, L.P." The General Partner shall have the power at any time to change the name of the Partnership and shall give prompt notice of any such change to each Partner.

1.3 Principal Office, Registered Office and Qualifications.

(a) The principal office of the Partnership shall initially be at 5 Radnor Corporate Center, Suite 555, 100 Matsonford Road, Radnor, Pennsylvania 19087 (Fax: 610-971-2062) or such other place within the continental United States of America as may from time to time be designated by the General Partner who shall give prompt notice of any such change to each Partner in accordance with this Agreement.

(b) The registered office of the Partnership in the State of Delaware shall be at 1013 Centre Road, Wilmington, Delaware 19805. The name of the registered agent in charge thereof shall be The Prentice-Hall Corporation System, Inc. The General Partner may from time to time change such registered agent and registered office and shall give prompt notice of any such change to each Partner.

(c) The General Partner shall qualify the Partnership to do business in each jurisdiction where the activities of the Partnership make such qualification necessary or where it is necessary in order to preserve the limited liability of the Limited Partners.

1.4 Duration.

The Partnership shall be continued pursuant to this Agreement upon the receipt by the General Partner of executed counterparts of this Agreement from Limited Partners whose Commitments, together with the Commitment of the General Partner, equal or exceed in the aggregate $40 million, and the term of the Partnership shall continue through the close of business on December 31, 2007, unless sooner terminated in accordance with the termination provisions of Article IV; provided, however, the General Partner may extend the duration of the Partnership for a one-year period and, with the written consent of a Majority in Interest of the Limited Partners, for a second one-year period, in order to permit the orderly liquidation of the Partnership's assets.

1.5 Representations and Warranties.

(a) Each Limited Partner, severally and only with respect to itself, hereby represents and warrants to the General Partner and the Partnership as follows:

(i) Such Partner has full power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby.

(ii) Such Partner has taken all requisite corporate or similar action necessary to authorize its execution and delivery of this Agreement and its consummation of the transactions contemplated hereby. This Agreement constitutes a valid and binding obligation of such Partner, enforceable in accordance with its terms.

(iii) The execution, delivery, and performance by such Partner of this Agreement will not (A) violate or conflict with any provision of the certificate of incorporation, by-laws, or similar organizational documents of such Partner, (B) violate, conflict with, or give rise to any right of termination, cancellation, or acceleration under any material agreement, security, license, permit, or instrument to which such Partner is a party or by which such Partner or its property may be bound, (C) violate or conflict with any law, rule, or regulation or (D) require any consent, approval or other action of, notice to, or filing with any governmental authority, other than those which have been obtained or made.

(iv) Such Partner is acquiring its interest in the Partnership for investment and not with a view to the sale or distribution of any part thereof.

(v) Such Partner is an "accredited investor" (as defined in Rule 501 promulgated under the Securities Act).

(vi) Such Partner does not have any contract, undertaking, agreement or arrangement with any third party to sell, transfer or grant participations to such third party, or to any other third party, with respect to its interest in the Partnership, excluding any co-investment rights that a Limited Partner may assign under this Agreement.

(vii) If such Partner's Commitment represents 10% or more of the Commitments of all Limited Partners, any one of the following is true: (A) all of such Partner's outstanding securities (other than short-term paper) are beneficially owned by one person, (B) such Partner is not an "investment company" (as defined in the Investment Company Act) and would not be such an "investment company" but for the provisions of Section 3(c)(1) and Section 3(c)(7) of the Investment Company Act or (C) such Partner is a defined benefit pension plan qualified under Section 401 of the Code, and such plan is (1) involuntary (meaning that all employees of the plan sponsor who meet certain age and service requirements are included as participants in the plan), and (2) noncontributory (meaning that all contributions to the plan are made by the employer-sponsor rather than the employee-participants).

(viii) Unless otherwise disclosed to the Partnership in writing, (A) such Partner is not an ERISA Partner or a Governmental Plan Partner, and (B) such Partner is a citizen or resident of the United States, an entity organized under the laws of the United States or a state within the United States or an entity engaged in a trade or business within the United States. Each Partner who has disclosed to the Partnership in writing that it is not a person described in the preceding sentence shall provide the Partnership with any information or documentation necessary to permit the Partnership to fulfill any tax withholding or other obligation relating to such Partner, including, but not limited to, any documentation necessary to establish such Partner's eligibility for benefits under any applicable tax treaty.

(b) The General Partner hereby represents and warrants to the Limited Partners as follows:

(i) The General Partner is a limited partnership duly formed, legally existing and in good standing under the laws of the State of Delaware and has all requisite power and authority to enter into and to perform its obligations under this Agreement; the Investment Manager is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware. The Partnership is a limited partnership duly formed, validly existing and in good standing under the Delaware Act and has the partnership power and authority to execute and deliver the Subscription Agreements and own its properties and carry on its business as described herein. Each of the General Partner and the Investment Manager is duly qualified to transact business and is in good standing in every jurisdiction in which the character of the business conducted by it or permitted to be conducted by it makes such qualification necessary, except where the failure to be so qualified would not have material adverse effect on the business operations or financial condition of the Partnership, the General Partner or the Investment Manager.

(ii) The Investment Manager has all requisite power and authority to enter into and perform its obligations under the Investment Management Agreement.

(iii) The Investment Management Agreement has been duly authorized, executed and delivered by, and constitutes the valid and binding obligation of, the Partnership and the Investment Manager, enforceable against the Investment Manager and the Partnership in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium, and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(iv) This Agreement has been duly authorized, executed and delivered by, and constitutes the valid, and binding obligation of the General Partner, enforceable against the General Partner in accordance with its terms, subject to applicable bankruptcy, reorganization, insolvency, moratorium, and similar laws affecting creditors rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law).

(v) Each of the Subscription Agreements has been duly executed and delivered by the Partnership and the General Partner and, assuming the due authorization, execution and delivery thereof by the Limited Partner executing such Subscription Agreement, is a valid and legally binding obligation of the Partnership and the General Partner, enforceable against it in accordance with its terms.

(vi) The execution, delivery and performance of this Agreement and the Subscription Agreements by the Partnership and/or the General Partner (as the case may be) does not (A) violate the limited partnership agreement of the General Partner (or in the case of the Subscription Agreements, this Agreement), (B) result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any material contract by which General Partner is bound, (C) violate any court order by which the General Partner is bound or affected, (D) violate any applicable Laws that could have a material adverse effect on the Partnership or the General Partner, or (E) require the filing or

registration with, or the approval, authorization, license, or consent of, any court or governmental department, agency, or authority which has not already been duly and validly obtained.

(vii) No action, proceeding or investigation is now pending or has been pending during the five years prior to the date hereof (or, to the General Partner's knowledge, is now threatened) against the General Partner, the Partnership, the Investment Manager or any other current Affiliate of the General Partner, which (A) questions or challenges the validity or purpose of the Partnership, (B) could materially and adversely affect the Partnership's operations, properties, financial condition or business or (C) claims or alleges fraud, misrepresentations, violation of any Federal, state or securities law, rule or regulation.

(viii) There are no other actions, proceedings or investigations pending (or, to its knowledge, threatened) against or affecting the General Partner, the Partnership, or the Investment Manager.

(ix) The execution, delivery and performance of the Investment Management Agreement by the Partnership and the Investment Manager will not (A) violate this Agreement or the certificate of incorporation of the Investment Manager, (B) result in a default or breach of any of the terms, conditions or provisions of, or constitute a default under, any material contract by which such parties are bound, (C) violate any court order by which the Partnership or the Investment Manager is bound or affected, (D) violate any applicable laws that could have a material adverse effect on the Partnership, the Investment Manager or the performance of the Investment Manager's duties and obligations under the Investment Management Agreement, or (E) require the filing or registration with, or the approval, authorization, license or consent of, any court or governmental department, agency or authority which has not already been duly and validly obtained.

(x) It is not necessary in connection with the offer, issuance, sale or delivery to each of the Limited Partners of the Limited Partnership Interests under the circumstances contemplated hereby and by such Partner's Subscription Agreement, and on the terms set forth herein and in such Subscription Agreement, to register the Limited Partnership Interests under the Securities Act.

(xi) The partnership is not an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

(xii) For federal income tax purposes under current law, the Partnership is treated as a partnership and not as an association taxable as a corporation, and the Partnership will not be treated as a "publicly traded partnership" within the meaning of Section 7704(b) of the Code.

(xiii) Assuming the due authorization, execution and delivery to the Partnership and the General Partner of a Subscription Agreement by each of the Limited Partners, the Limited Partnership Interest to be acquired by such Limited Partner pursuant

to this Agreement and such Partner's Subscription Agreement represents a duly and validly issued Limited Partnership Interest in the Partnership, and such Limited Partner is a limited partner under the Partnership Agreement and the Delaware Act.

(xiv) As of the closing date relating to the sale of Limited Partner Interests to each of the Limited Partners, the Private Placement Memorandum does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

1.6 Liability of Partners.

Losses, liabilities and expenses incurred by the Partnership during any fiscal year shall be allocated among the Partners in accordance with the procedures for allocating Net Losses, as set forth in Section 3.4. The General Partner shall have unlimited liability for the repayment, satisfaction and discharge of all liabilities of the Partnership; provided, however, that the General Partner shall not be obligated to restore by way of capital contribution or otherwise any deficits in the respective Capital Accounts of the Limited Partners should such deficits occur. Except as otherwise provided under the Delaware Act, no Limited Partner shall in any event be liable for or subject to any loss, liability or expense whatsoever of the Partnership beyond that portion of such Limited Partner's Commitment not actually paid to the Partnership.

1.7 Purpose and Powers.

(a) The purpose of the Partnership is to make, manage, own and supervise investments principally in early and mid-stage development entities that are engaged in activities in North America and Europe primarily involved in the information technology and telecommunications industries. To that end, the Partnership shall have the power to acquire an ownership interest in Crucible. In furtherance of this purpose and subject to the provisions of paragraph (b) below, the Partnership shall have all powers necessary, suitable or convenient for the accomplishment of this purpose, alone or with others, as principal or agent, including, without limitation, the following:

(i) to buy, sell, pledge and invest in Securities, whether such Securities are readily marketable or not;

(ii) to hold, receive, transfer, exchange, otherwise dispose of, grant options with respect to and otherwise deal in and exercise all rights, powers, privileges and other incidents of ownership or possession with respect to all property held or owned by the Partnership;

(iii) to guarantee the financial obligations of portfolio companies as may from time to time be necessary or advisable to permit the Partnership to carry out its purpose;

(iv) in such reasonable degree and manner as may be necessary or advisable, to have and maintain one or more offices within or without the State of Delaware and in connection therewith, to rent or acquire office space, engage personnel

and compensate them and do such other acts and things as may be advisable or necessary in connection with the maintenance of such office or offices;

(v) to open, maintain and close accounts with brokers;

(vi) to open, maintain and close bank accounts in federal or state chartered banks and to draw checks and other orders for the payment of moneys;

(vii) to engage accountants, custodians, consultants for specialized or technical services relating to the business of issuers of Securities, attorneys and any and all other agents and assistants, both professional and nonprofessional, and to compensate them in such reasonable degree and manner as may be necessary or advisable;

(viii) to form or cause to be formed and to own the stock of one or more corporations, whether foreign or domestic, and to form or cause to be formed and to participate, but only as a limited partner or participant with limited liability, in partnerships and joint ventures, whether foreign or domestic;

(ix) subject to the other provisions of this Agreement, to enter into, make and perform all contracts, agreements and other undertakings as may be necessary or advisable or incident to carrying out its purpose;

(x) to sue and be sued, to prosecute, settle or compromise all claims against third parties, to compromise, settle or accept judgment with respect to claims against the Partnership and to execute all documents and make all representations, admissions and waivers in connection therewith;

(xi) to enter into and perform its obligations under the Subscription Agreements; and

(xii) to engage in any other lawful act or activity for which limited partnerships may be organized under the Delaware Act.

(b) Notwithstanding any other provision of this Section 1.7, except with the approval of a Majority in Interest of the Limited Partners, the Partnership shall not:

(i) make any investment in any Security if at the time of such investment the aggregate cost of (A) the investments of the Partnership in the issuer of such Security and its Affiliates plus (B) such additional investment would exceed 20% of aggregate Commitments;

(ii) acquire any Securities or other assets from, sell or lend any Securities or other assets of the Partnership to, or guarantee any obligations of the General Partner, the Investment Manager or any officer, director, partner, or Affiliate of the General Partner or the Investment Manager;

(iii) [Intentionally Omitted];

(iv) make any investment in any Security with the proceeds from the disposition of any Security, other than the proceeds of Cash Equivalent Securities and Securities held for less than one year that were acquired with the intention of owning such Securities for less than one year;

(v) borrow money or otherwise incur any indebtedness, except (i) on a short-term basis in reasonable anticipation of any capital contribution or distribution and (ii) if immediately after giving effect to borrowing or incurrence of indebtedness, the aggregate principal amount of all such borrowing and indebtedness of the Partnership shall not exceed 10% of aggregate Commitments;

(vi) invest in Securities of any entity as part of obtaining control of such entity if such transaction is not approved by the Board of Directors or comparable governing body of such entity;

(vii) invest in Securities that are derivatives (except for the express purpose of hedging);

(viii) invest in other investment funds (other than up to U.S.$10.1 million in Crucible, as to which the Partnership shall not pay any management fee or "carried interest" to any party);

(ix) invest in any entity whose principal business is the investment in, or the development of, undeveloped land or the sale of oil or gas; or

(x) [Intentionally Omitted];

(c) Notwithstanding any other provision of this Section 1.7, the Partnership shall not:

(i) allow any assets of the Partnership to become commingled with the assets of the General Partner, the Investment Manager, any Affiliate of the General Partner or the Investment Manager, or any officer, director, manager or direct or indirect partner, sotckholder or other equity holder of the General Partner or the Investment Manager;

(ii) elect to be taxable as a corporation for U.S. federal income tax purposes;

(iii) invest in Securities that are derivatives (except for the express purpose of hedging); or

(iv) invest in Securities that are issued by an issuer whose principal place of business is located outside of, or that is organized under laws other than those of, the United States of America, England, Scotland, Wales, Northern Ireland, the Republic of Ireland, Canada or a political subdivision of the foregoing, unless the Partnership shall first obtain an opinion of counsel addressed to the Partnership and the Partners to the effect that the limited liability of the Limited Partners in respect of liabilities of the

Partnership will be respected under the laws of the jurisdiction in which such principal place of business is located and such issuer is organized.

1.8 Applicable Law.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without giving effect to principles governing conflicts of laws.

ARTICLE II

MANAGEMENT

2.1 Authority and Duty of General Partner.

(a) The management and operation of the Partnership and the formulation of investment policy shall be vested exclusively in the General Partner. The General Partner shall exercise those powers established pursuant to Section 1.7 on behalf and in the name of the Partnership as may be necessary and convenient for the purposes of the Partnership, as set forth in Section 1.7. The General Partner may delegate certain of its authority to the Investment Manager under the Management Agreement. In addition, at the request of the General Partner, and subject to prior notice to the Valuation Committee, a Limited Partner may provide advisory services to a portfolio company.

(b) The Limited Partners shall not take any part in the control or management of the business or affairs of the Partnership within the meaning of Section 17-303(a) of the Delaware Act. The Limited Partners shall not have any authority to act for or on behalf of the Partnership or otherwise in respect of Partnership matters except as is specifically permitted by this Agreement or under the Delaware Act.

2.2 Other Activities.

(a) The General Partner shall, so long as it remains the General Partner of the Partnership, devote substantially all of its activities to the conduct of the business of the Partnership. The General Partner shall not engage actively in any other business unless such engagement is related to and in furtherance of the affairs of the Partnership.

(b) The General Partner represents that during the Investment Period, the Principals shall devote substantially all of their business time to the affairs of the General Partner in the management of the Partnership and to the affairs of the Affiliated Funds and any other entity approved by the Valuation Committee and each of the portfolio companies of the foregoing businesses; provided, that from and after the Trigger Date, the Principals may also devote their business time to the affairs of other entities without the consent of any Partner or the Valuation Committee provided, further, that from and after the Trigger Date, the Principals shall devote such time as shall be reasonably necessary to conduct the business and affairs of the Partnership in an appropriate manner. Subject to the preceding sentence, the Partners specifically understand and agree that the executive officers and directors of XACP (i) are and

will be engaged in a number of other activities and, although they intend to satisfy fully their obligations to the Partnership, they will not devote their time and effort solely to the Partnership's activities, (ii) are and will serve as officers, directors, partners, or members of entities other than the Partnership, including other private equity funds, with corresponding fiduciary obligations to such other entities, (iii) will not be required to offer any investment opportunity to the Partnership if, in the reasonable judgment of such officer, director, partner, or member of such other entity, such opportunity would not be appropriate as an investment opportunity for the Partnership in light of its purpose, as set forth in Section 1.7(a), and (iv) subject to the provisions of Section 2.3, if any investment opportunity brought to the attention of the Partnership and any such other entity may be appropriate for both the Partnership and such other entity, the Partnership shall attempt in good faith to reach a mutually satisfactory co-investment or similar arrangement with such other entity regarding such investment opportunity (which arrangement shall take into consideration the capital available for investment by each such entity), and such officer, director, partner, or member shall not be liable to the Partnership or any Partner for any such arrangement. The General Partner represents that the individual executive officers and directors of XACP shall use their best efforts to satisfy their obligations to the Partnership and such other entities.

2.3 Co-Investments; Conflicts of Interest.

(a) The Partnership may co-invest with Affiliates of the Partnership, including the Affiliated Funds; provided, that neither the General Partner nor the Principals shall make direct co-investments with the Partnership without the approval of the Valuation Committee. If the co-investment is in an entity in which neither the Partnership nor the Affiliate making the co-investment has previously invested, the terms and conditions under which the co-investment shall be made by the Partnership and its Affiliates shall be substantially the same. If the co-investment is in an entity in which an Affiliate of the Partnership or an Affiliated Fund already has an investment but the Partnership has not invested, then the Valuation Committee shall approve such investment. The disposition of each such co-investment by Affiliates of the Partnership shall be effected pro rata with the Partnership or after the Partnership. This Section 2.3(a) shall not apply to the acquisition of any Publicly Traded Securities.

(b) The General Partner shall be permitted to offer to one or more persons or entities, including without limitation, Limited Partners or Affiliates of Limited Partners, the opportunity to co-invest with the Partnership from time to time in entities in which the Partnership invests; provided, however, if the Partnership shall make any co-investment opportunity available to one or more Limited Partners, then all Limited Partners shall be given the right to participate in such co-investment in an amount equal to no less than its pro rata share of such co-investment opportunity (which pro rata share shall be based on the relative Commitments of all Limited Partners); provided, further, that no such co-investment under this paragraph (b) shall be permitted unless and until the General Partner shall have determined that the Partnership has invested in any such entity the appropriate amount considered prudent by the General Partner.

(c) Except as expressly contemplated by this Agreement or paragraph (d) below, the General Partner may not cause the Partnership to enter into any material contract or

transaction with the General Partner or any Affiliate of the General Partner, unless such contract or transaction is approved by the Valuation Committee.

(d) Notwithstanding anything in this Agreement to the contrary, the Partnership shall be permitted to purchase the following Securities at cost from Affiliates of the General Partner as soon as is practicable following the first capital contribution made by the Limited Partners under this Agreement:

(i) Convertible Loan Stock investment in Interactive Enterprise Ltd in the aggregate principal amount of U.S. $489,273 plus a commitment to acquire an additional amount of Convertible Loan Stock for U.S. $479,172, subject to the exchange rate differential between U.S. dollars and Irish pounds;

(ii) Limited Partnership investment in Atlantic Early Stage I LP in the amount of US $1,868,536 plus a commitment to increase the investment to a total level of U.S. $2,550,000;

(iii) Investment in Ordinary Shares of Brainspark, Ltd in the aggregate principal amount of U.S. $5,033,000;

(iv) Investment in Ordinary Shares of Zeus Technologies, Ltd. in the aggregate principal amount of U.S. $4,000,000;

(v) Investment in Convertible Preferred Shares of Openet Telecom Ltd in the aggregate principal amount of U.S. $2,010,185

(vi) Convertible Loan Stock investment in Marrakech Ltd in the aggregate principal amount of U.S $1,354,646;

(vii) Convertible Loan Stock investment in Automsoft Ltd in the aggregate principal amount of U.S. $321,089

(viii) Investment in Preferred Stock of GAIN Capital, Inc. in the aggregate principal amount of U.S. $1,254,000 plus a commitment to acquire additional Preferred Stock for U.S. $1,254,000; and

(ix) Commitment to make a Convertible Loan Stock investment in Nanomat, Ltd in the principal amount of U.S. $319,448, subject to exchange rate differentials between U.S. dollars and Irish pounds.

In lieu of purchasing the above Securities directly, each of the Partners authorizes the Partnership to purchase the Securities of one or more Affiliates of the General Partner so long as each such Affiliate shall have conducted no business other than the investment in one or more of the above Securities and the amount paid by the Partnership for the Securities of such Affiliate shall equal the cost of the underlying Securities.

2.4 ERISA Partners; Governmental Plan Partners; Regulated Partners.

(a) Each ERISA Partner, Governmental Plan Partner and Regulated Partner hereby represents that it (i) has the right, and is duly authorized, to be a Limited Partner and to make the capital contributions on its part required to be made hereunder and (ii) does not know of any condition or circumstance in existence on the date hereof that would give rise to a right for it to withdraw from the Partnership pursuant to this Section 2.4. The General Partner represents that, to the best of its knowledge, as of the date hereof, neither the Partnership, the General Partner, XACP, nor any officer or director of XACP is a "party in interest" to any ERISA Partner who has identified itself as an ERISA Partner to the General Partner as of the date hereof within the meaning of Section 3(14) of ERISA. As used in the remainder of this Section 2.4, all terms surrounded by quotation marks (" ") shall have the meanings assigned thereto in the Department of Labor Final Regulation Relating to the Definition of Plan Assets, 29 CFR 2510.3 (1986) (the "DOL Regulation").

(b) So long as the participation in the Partnership by "benefit plan investors" is "significant", the General Partner shall take all actions as may be required from time to time in order to assure that none of the assets of the Partnership shall constitute "plan assets" of any ERISA Partner and that the Partnership shall be a "venture capital operating company".

(c) In the event that:

(i) either (A) the General Partner shall determine that it has become necessary for any ERISA Partner or Governmental Plan Partner to withdraw from the Partnership or (B) any ERISA Partner or Governmental Plan Partner shall determine that it is necessary for it to withdraw from the Partnership, in either case, in order to avoid a violation of, or breach of the fiduciary duties of any person under (other than a breach of the fiduciary duties of any such person based upon the investment strategy or performance of the Partnership), ERISA or the related provisions of the Code or any applicable state or municipal law, rule or regulation or interpretation of such provisions by the appropriate regulatory or state authority having jurisdiction over such provisions or any other law, rule or regulation applicable to such Partner; or

(ii) either the General Partner or any ERISA Partner or Governmental Plan Partner shall determine that it is advisable for such Partner to withdraw from the Partnership as a result of the determination by the General Partner or such Partner, as the case may be, that reasonable grounds exist to conclude that any of the assets of the Partnership would be deemed to constitute "plan assets" of such Partner under ERISA, within the meaning of the DOL Regulation;

then the General Partner or such ERISA Partner or Governmental Plan Partner, as the case may be, shall deliver to the other a notice to that effect, accompanied by an opinion of counsel (which may be counsel retained or employed by the General Partner or such Partner, as the case may be, so long as such counsel shall be reasonably acceptable to such Partner and the General Partner, in house counsel with experience in the subject matter being deemed acceptable or counsel appointed pursuant to law being acceptable), confirming the substantial likelihood of the necessity or advisability of such withdrawal and explaining in reasonable detail the reasons

therefor. In the case of such notice from the ERISA Partner or Governmental Plan Partner, unless within 60 days after the date on which such notice was given, the General Partner is able to eliminate the necessity for such withdrawal (or the reasons making such withdrawal advisable) to the reasonable satisfaction of such ERISA Partner or Governmental Plan Partner and its counsel, whether by correction of the condition giving rise thereto or amendment of this Agreement or otherwise, such Partner shall be entitled, at its election, upon written notice to the General Partner, to withdraw from the Partnership as a Retirement pursuant to Section 4.4. In the case of such notice from the General Partner, such ERISA Partner or Governmental Plan Partner shall be required to withdraw from the Partnership as a Retirement pursuant to Section 4.4. Anything contained herein to the contrary notwithstanding, the right of withdrawal of an ERISA Partner or Governmental Plan Partner under this Section 2.4(c) without penalty shall be the sole and exclusive remedy of such Partner for a breach by the General Partner of any of its agreements or covenants contained in this Section 2.4, except in the case of an intentional breach of Section 2.4(b) or a breach of Section 2.4(b) resulting from the gross negligence of the General Partner.

(d) In the event that for any reason, including, without limitation, a breach of this Agreement resulting from the failure of the General Partner to perform the undertakings set forth in Section 2.4(b), any assets of the Partnership shall be deemed to constitute "plan assets" of any "benefit plan investor" under ERISA, within the meaning of the DOL Regulation, then the General Partner shall not, nor cause the Partnership to, enter into any transaction which could reasonably be expected to constitute participation by the Partnership or any "benefit plan investor" in a "prohibited transaction" as defined in Section 4975 of the Code or Section 406 of ERISA; provided, however, that the obligation of the General Partner under this Section 2.4(d) shall be subject to the receipt by the General Partner from each ERISA Partner and Governmental Plan Partner of such information as may be reasonably necessary to permit the General Partner to determine whether any such transaction could constitute a "prohibited transaction".

(e) Any Regulated Partner may withdraw in part from the Partnership in order to avoid owning 25% or more of all interests held by Limited Partners in the Partnership, upon written notice delivered to the General Partner to that effect, accompanied by an opinion of counsel (which may be counsel retained or employed by the General Partner or such Regulated Partner, as the case may be, so long as such counsel shall be reasonably acceptable to such Regulated Partner and the General Partner, in house counsel with experience in the subject matter being deemed acceptable or counsel appointed pursuant to law being acceptable), confirming the necessity of such withdrawal without regard to the application of Section 4(k) of the BHCA". In the case of such notice from the Regulated Partner, unless within 60 days after the date on which such notice was given, the General Partner is able to eliminate the necessity for such withdrawal to the reasonable satisfaction of such Regulated Partner and its counsel, such Regulated Partner shall be entitled, at its election, upon written notice to the General Partner, to withdraw in part from the Partnership as a Retirement pursuant to Section 4.4 so as to result in such Regulated Partner owning less than 25% of all interests held by Limited Partners in the Partnership.

2.5 Investment Company Act; Investment Advisers Act.

The Partnership is being formed in such fashion as to be exempt from the Investment Company Act. The relationship between the Partnership, on the one hand, and the General Partner and the Investment Manager, on the other hand, is being structured in such manner as to exempt each of the General Partner, the partners of the General Partner, XACP, the executive officers and directors of XACP, the Investment Manager and Affiliates of the General Partner, XACP and the Investment Manager from the requirements of the Investment Advisers Act. Existing laws, regulations and interpretations and changes thereto may make it necessary or advisable to register the Partnership under the Investment Company Act or to register the General Partner, the partners of the General Partner, XACP, the executive officers and directors of XACP or the Investment Manager under the Investment Advisers Act. The General Partner shall have the power to take such action as it may deem advisable in light of existing or changing regulatory conditions in order to permit the Partnership to continue in existence, including, without limitation, registering the Partnership under the Investment Company Act, taking any and all action necessary to secure such registration and to secure appropriate exemptions under the Investment Advisers Act for the General Partner, the partners of the General Partner or the Investment Manager (including an exemption from the provisions of Section 205(a) thereof).

2.6 Liability to Partners; Indemnification.

(a) None of the General Partner, the current or former partners of the General Partner, XACP, the current or former stockholders, officers and directors of XACP, the Investment Manager, any officer, employee or stockholder of the Investment Manager, the Affiliates of the General Partner, XACP or the Investment Manager, the Limited Partners nor the members of the Valuation Committee (collectively, the "Indemnified Persons") shall be liable to any Partner for any action taken or omitted to be taken by him or it or for any action taken or omitted to be taken by any other Partner or other person or entity with respect to the Partnership, except in any of the following cases:

(i) the case of such Indemnified Person's own failure to exercise the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of a venture capital enterprise with similar purposes;

(ii) the case of such Indemnified Person's material violation of law, other than a criminal law, where such Indemnified Person did not act in good faith and in a manner that such Indemnified Person believed was in, or not opposed to, the best interest of the Partnership;

(iii) the case of such Indemnified Person's criminal action;

(iv) the case of any action where the Indemnified Person is a plaintiff and the Partnership shall not, directly or indirectly, be a beneficiary of such action, but not as to any counterclaim arising thereunder so long as such Indemnified Person would be entitled to indemnity pursuant to this Section in respect of such counterclaim;

(v) the case of such Indemnified Person's having materially violated any Federal or state securities laws; provided, that an Indemnified Person shall not have any liability to any Partner for any violation of Federal or state securities laws if such violation arises out of such Indemnified Person's serving as a director of a portfolio company if such Indemnified Person otherwise (A) exercised the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of a venture capital enterprise with similar purposes, (B) in the case of a non-criminal volition of law, acted in good faith and in a manner that such Indemnified Person believed was in, or not opposed to, the best interest of the Partnership and (C) in the case of a criminal action, had no reasonable cause to believe his conduct was unlawful;

(vi) the case of such Indemnified Person's being subject to a consent decree enjoining future violations of any material Federal or state securities laws and where such consent decree results in a material adverse effect on the Partnership or the General Partner's ability to perform its duties hereunder;

(vii) the case of such Indemnified Person's material breach of this Agreement, the Investment Management Agreement or any other agreement between the Partnership and the General Partner, the Investment Manager or their Affiliates, which breach shall not have been cured within 30 days after receipt by such Indemnified Person of written notice thereof;

(viii) the case of such Indemnified Person's claim for indemnification under this Section 2.7 arising out of any claim brought by an Affiliate of the General Partner (other than a portfolio company, prior portfolio company or Affiliate thereof); or

(ix) the case of such Indemnified Person's fraud, bad faith or willful misconduct.

Indemnified Persons shall be fully protected with respect to any action or omission taken in good faith reliance upon advice as to legal matters of legal counsel and as to accounting matters of independent accountants, in each case selected with reasonable care. The Partnership shall indemnify and hold harmless Indemnified Persons from any and all reasonable costs and expenses and any and all damages and claims which may be incurred by or asserted against any of them by reason of any action taken or omitted to be taken on behalf of the Partnership, in furtherance of its interest, or in connection with any involvement with any issuer of Securities held by the Partnership (to the extent not indemnified by such issuer), unless such cost, expense, damage or claim results from such persons' or entities' conduct which falls within any one or more of the cases set forth in Section 2.6(a)(i) through (ix).

(b) The Partnership may pay any expenses incurred by any Indemnified Person in respect of any such costs, expenses, damages and claims in advance of the final disposition of any such claim upon receipt of an undertaking by or on behalf of such Indemnified Person to repay such amount if it shall ultimately be determined by a court of competent jurisdiction in a decision no longer subject to appeal that such Indemnified Person is not entitled to be indemnified by the Partnership as authorized in this Section.

(c) An Indemnified Person shall not seek indemnification hereunder for any payment in excess of U.S.$500,000 made by such Person in settlement of any claim asserted against such Person unless approved by the Valuation Committee. An Indemnified Person shall seek indemnification from portfolio companies and from insurance companies, if available, prior to seeking indemnification from the Partnership.

2.7 Management Fee and Expenses.

(a) As compensation for services rendered in the management of the Partnership, the Investment Manager shall earn a management fee (the "Management Fee") from the Partnership. For each fiscal quarter (or portion thereof) from and after July 2, 1999 through the last day of the Investment Period, the Management Fee shall be payable in advance and shall be equal to the sum of (i) .5% of the aggregate Commitments of all Partners (calculated as if all Commitments were in effect as of July 2, 1999) up to $100,000,000, and (ii) .375% of the aggregate Commitments of all Partners (calculated as if all Commitments were in effect as July 2, 1999) in excess of $100,000,000. For each fiscal quarter (or portion thereof) commencing from and after the last day of the Investment Period, the Management Fee shall be payable in advance and shall be equal to the sum of (A) .5% of the aggregate cost of all Portfolio Securities held by the Partnership on the day immediately prior to the date on which the quarterly Management Fee shall be paid, up to Portfolio Securities having an aggregate cost of $100,000,000, and (B) .375% of the aggregate cost of all Portfolio Securities held by the Partnership on the day immediately prior to the date on which the quarterly Management Fee shall be paid in excess of $100,000,000.

(b) The Management Fee shall be first due and payable in advance on the first business day following the date on which the Partnership receives the first capital contribution from any Partner. Thereafter, the Management Fee shall be due and payable in advance on the first business day of each fiscal quarter. The Management Fee earned with respect to the Commitment of any Additional Limited Partner or with respect to any Limited Partner that has increased its Commitment shall be payable as to the period from the formation of the Partnership through the end of the quarter in which such admission or increase shall occur on the first business day following such admission or increase and shall include interest thereon calculated at a rate of 8% per annum from the date on which the fee would have been paid had the Commitment of such Additional Limited Partner been in effect as of the date of formation of the Partnership.

(c) The Management Fee shall be reduced by (i) the amount of any placement fees ("Placement Fees") paid by the Partnership in connection with the sale and issuance of limited partnership interests and (ii) 100% of all Special Compensation Amounts accepted by the Investment Manager or its Affiliates from issuers of Portfolio Securities held or to be acquired by the Partnership (other than Special Compensation Amounts received from Crucible and its Affiliates). If any Special Compensation Amounts are received from the issuer of any Portfolio Security which is held by the Partnership and also by any Affiliate of the Partnership, the amount of Management Fee to be reduced, as determined in accordance with the preceding sentence, shall be multiplied by a fraction, the numerator of which shall equal the portion of such Security owned by the Partnership and the denominator of which shall equal the total portion of such Security held by the Partnership and each such Affiliate. To the extent that the amount of

Special Compensation Amounts required to offset the Management Fee shall exceed the amount of the Management Fee for any period, future payments of the Management Fee shall be offset by such excess.

(d) Except as provided in paragraph (e) below, the Investment Manager or its Affiliates shall pay all expenses relating to the management and administration of the Partnership, including, but not limited to, (i) the compensation of all employees who render services to the Partnership and (ii) the cost of providing administrative support and general services to the Partnership, including, without limitation, expenses of office rental, telecommunication expenses, secretarial, clerical, computer and bookkeeping expenses and travel and entertainment expenses.

(e) The Partnership shall pay the following Partnership expenses: (i) the expenses of the Valuation Committee; (ii) expenses incurred in the actual or proposed acquisition or disposition of Securities, including, without limitation, accounting, banking, broken-deal, registration, finders, depository, brokerage, legal, consulting, and similar fees and expenses; (iii) fees for consultants for specialized or technical services related to the business of issuers of Securities, (iv) transfer, capital and other taxes, duties and costs related to the acquisition, holding, disposing of or qualification for sale of Securities; (v) expenses for liability and other insurance, provided that the Partnership is the named beneficiary; (vi) all professional fees and expenses, such as legal, accounting and auditing fees and expenses and litigation expenses and damage expenses of the Partnership; (vii) indemnity expenses; (viii) miscellaneous expenses for custodial and safekeeping services and insurance; (ix) expenses incurred in connection with annual or special meetings of the Partnership and the activities of the Valuation Committee and periodic reports to the Limited Partners; (x) expenses in connection with the organization of the Partnership (not to exceed $500,000); (xi) taxes payable by the Partnership to Federal, state, local and other governmental agencies; (xii) the Management Fee and (xiii) any Placement Fees. The expenses described in the foregoing clauses (i) through (x) must be reasonable when incurred and be supported by appropriate documentation.

2.8 Valuation Committee.

(a) In addition to the approval of certain actions specified elsewhere herein, the approval of the Valuation Committee shall be required: (i) to value Securities to the extent provided in Section 3.5; and (ii) to compromise or settle claims against the Partnership where such compromise or settlement involves a conflict of interest with any director or officer of XACP, any partner of the General Partner or any member, director or officer of the Investment Manager.

(b) Wherever approval of the Valuation Committee is required hereunder, such approval shall be given by a majority of the members of the Valuation Committee, either in writing or in person at a meeting or by means of a conference telephone or similar communications equipment by means of which such persons can hear each other. The Valuation Committee shall keep minutes of all of its meetings, copies of which shall be provided to any Limited Partner upon written request therefor.

2.9 Media Company Restrictions.

(a) In addition to any other restrictions applicable to Limited Partners set forth in this Agreement and notwithstanding any other provisions thereof, for so long as the Partnership has an investment in a Media Company, no Limited Partner (and no officer, director, partner or equivalent non-corporate official of a Limited Partner that is not an individual) shall:

(i) act as an employee of the Partnership if his or her functions, directly or indirectly, relate to the media business of the Partnership or any Media Company in which the Partnership has an investment;

(ii) serve, in any material capacity, as an independent contractor or agent with respect to the media business of the Partnership or any Media Company in which the Partnership has an investment;

(iii) communicate on matters pertaining to the day-to-day media operations of the Partnership or a Media Company with (i) an officer, director, partner, agent, representative or employee of such Media Company, or (ii) the General Partner;

(iv) perform any services for the Partnership materially relating to the media activities of the Partnership or any Media Company in which the Partnership has an investment, except that any Limited Partner may make loans to, or act as a surety for, the Partnership or any such Media Company;

(v) vote on the admission of any new General Partner to the Partnership unless such admission is approved by the General Partner;

(vi) become actively involved in the management or operation of the Partnership's media businesses; or

(vii) vote for the removal of the General Partner except where the General Partner is subject to bankruptcy proceedings, is adjudicated incompetent by a court of competent jurisdiction, or is removed for any cause which is determined by an independent party to constitute malfeasance, criminal conduct, or wanton or willful neglect, or other such extraordinary conduct with respect to which a prudent investor would require the right to remove the General Partner (it being understood that this clause (vii) shall not be deemed to modify the definition of "Cause Event" set forth in Section 1.1).

(b) Prior to the Partnership's first investment in a Media Company, the Partnership shall deliver to the Limited Partners who are bound by this Section 2.9 an opinion of counsel addressed to such Limited Partners to the effect that under the Communications Act and the FCC regulations then in effect an investment by the Partnership in Portfolio Securities that are issued by a Media Company would not be deemed under the Communications Act and the FCC regulations to be an investment attributable to such Limited Partners. In addition, prior to the Partnership's first investment in any other Media Company, such opinion of counsel shall remain valid and accurate or the Partnership shall deliver to such Limited Partners an updated opinion of counsel to the same effect. In the event that the FCC materially amends or otherwise materially

modifies its regulations or policies concerning limited partner insulation or attribution, then the Partnership shall use reasonable efforts to take such action so as to continue the determination that an investment by the Partnership in Portfolio Securities that are issued by a Media Company would not be deemed under the Communications Act and the FCC regulations to be an investment attributable to Limited Partners bound by this Section 2.9.

ARTICLE III

CAPITAL ACCOUNTS

3.1 Capital Contributions.

(a) Each of the Limited Partners and the General Partner hereby commits to make capital contributions to the Partnership up to the amount set forth opposite its name on Schedule A, upon at least 10 business days prior written notice from the General Partner as the General Partner determines to be necessary to fund investments and Operating Expenses of the Partnership. The initial contribution of the Partners shall not exceed 40% of their total Commitments, and in no event will the aggregate amount of a single contribution be less than 5%. All contributions of the General Partner and the Limited Partners shall be in cash. Notwithstanding anything to the contrary contained herein, the General Partner shall make no capital calls following the expiration of the Investment Period or during a Suspension Period, except to fund (i) operating expenses of the Partnership, (ii) follow-on investments and (iii) binding written commitments to make investments entered into prior to expiration of the Investment Period.

(b) In addition, notwithstanding anything to the contrary contained herein, from and after the date on which the Partnership shall have made indemnification payments on two occasions in excess of $500,000 to one or more Indemnified Persons in respect of two matters for which indemnification is required hereunder, neither Atlantic Equity Corporation nor PSERS nor SERS shall have any further obligation to fund any capital calls, except to the extent necessary to fund (i) Operating Expenses of the Partnership, (ii) follow-on investments and (iii) binding written commitments to make investments entered into prior to the second of such indemnification payments; and the Commitments of SERS, PSERS and Atlantic Equity Corporation shall be reduced to the extent not required to be contributed under this Section (except for purposes of calculating the Management Fee). Further, SERS, PSERS and Atlantic Equity Corporation shall have no interest in, nor receive any allocations or distributions in respect of, any Portfolio Securities acquired by the Partnership (other than investments described in clauses (ii) and (iii) above) after their obligations to contribute have been reduced hereunder.

(c) Notwithstanding the General Partner's Commitment set forth on Schedule A, the General Partner shall at all times be required to make capital contributions to the Partnership in an amount equal to no less than 5% of all Commitments actually paid, including Commitments of any Additional Limited Partner and of any Limited Partner whose Commitment has been increased pursuant to Section 3.2. Such additional amount shall be contributed to the Partnership in accordance with this Section 3.1, except that the first installment thereof shall be due upon the admission of such Additional Limited Partner or increase in Commitment of any

Limited Partner and each subsequent installment shall be due on such dates as subsequent installments are due in accordance with this Section 3.1. The Commitment of any Limited Partner who is an Affiliate of the General Partner may be reduced at any time upon the admission of an Additional Limited Partner or increase in the Commitment of any Limited Partner by an amount equal to the increase in the General Partner's Commitment set forth on Schedule A arising out of such admission or increased Commitment.

3.2 Additional Limited Partners; Increased Commitments.

The General Partner may from time to time on or prior to June 30, 2000 (i) admit one or more new Limited Partners (the "Additional Limited Partners") or (ii) permit any Limited Partner to increase its Commitment upon the following terms and conditions:

(a) The aggregate Commitments to make capital contributions to the Partnership of all Limited Partners and any Additional Limited Partners shall not exceed $200,000,000.

(b) Each Additional Limited Partner shall execute and deliver to the Partnership a counterpart of this Agreement, thereby evidencing such Additional Limited Partner's agreement to be bound by and comply with the terms and provisions hereof as if such Additional Limited Partner were an original signatory to this Agreement and Schedule A shall be amended to reflect such Additional Limited Partner's Commitment.

(c) Each Additional Limited Partner shall be admitted to the Partnership as of the date that Schedule A is amended to reflect such Additional Limited Partner's interest. Each Additional Limited Partner shall pay, on the date of admission of such Additional Limited Partner to the Partnership, (i) by way of capital contribution to the Partnership, cash in an amount equal to the portion of such Additional Limited Partner's Commitment that would have been due on or before the date such Additional Limited Partner is admitted if it had been admitted as of the date of this Agreement and (ii) by way of payment to the Partnership and not a capital contribution thereto, cash in an amount equal to interest on the amount contributed pursuant to the foregoing clause (i) at the rate of 10% per annum from the date on which such capital would have been contributed had such Partner been admitted at the formation of the Partnership to the date of such capital contribution.

(d) In the case of each Limited Partner whose Commitment has been increased, such increased Commitment shall be effective when an executed counterpart of this Agreement reflecting such increased Commitment is executed and delivered by such Limited Partner and accepted by the Partnership. Each such Limited Partner shall pay, on the date of effectiveness of such increase, (i) by way of contribution to the Partnership, cash in an amount equal to the portion of such increased Commitment that would have been due on or before the effective date of such increase in Commitment if such increased Commitment had been the initial Commitment of such Limited Partner and (ii) by way of payment to the Partnership and not a capital contribution thereto, cash in an amount equal to interest on the amount contributed pursuant to the foregoing clause (i) at the rate of 10% per annum from the date on which such capital would have been contributed had such Partner's increased Commitment been effective as of the date of this Agreement to the date of such capital contribution.

(e) As a result of the admission of an Additional Limited Partner to the Partnership or an increase in the Commitment of any Limited Partner pursuant to this Section 3.2, (i) the Capital Account of each Partner shall be adjusted by an amount to reflect such Limited Partner's pro rata share (in proportion to the respective Commitments of the Partners) of all Operating Expenses incurred by the Partnership since the date of commencement of the Partnership as if such Limited Partner had been a Limited Partner from the date of commencement of the Partnership and (ii) the Capital Account of such Additional Limited Partner or Limited Partner whose Commitment has increased shall be adjusted by an amount equal to the expenses incurred by the Partnership in connection with the admission of such Additional Limited Partner or increase in Commitment of such Limited Partner pursuant to this Section 3.2. If any expenses relating to the foregoing adjustments are to be amortized by the Partnership rather than charged immediately, the capital accounts of the Limited Partners shall be adjusted as such expenses are so amortized. In order to give effect to the provisions of this paragraph (e), allocations of Net Short-Term Investment Income and Net Short-Term Investment Losses after the admission of each Additional Limited Partner and after the increase by any Limited Partner of its Commitment will be allocated disproportionately among the Partners until each such Partner's Closing Capital Account contains the balance it would have contained had all Operating Expenses incurred by the Partnership since the commencement date of the Partnership been allocated to all the Partners in accordance with Section 3.4 (assuming that all Limited Partners had been admitted to the Partnership on the date of this Agreement).

3.3 Capital Accounts.

For each fiscal quarter while the Partnership is in effect, there shall be established on the books of the Partnership an Opening Capital Account for each Partner in accordance with the definitions and methods of adjustment prescribed herein. Each Opening Capital Account shall be adjusted in accordance with Section 3.4 at the following times: (a) at the close of each fiscal quarter, (b) immediately prior to the admission of any Additional Limited Partner or increase in any Limited Partner's Commitment pursuant to Section 3.2, (c) immediately prior to a reduction in the Commitment of any defaulting Limited Partner pursuant to Section 3.8(c), (d) immediately prior to a transfer by any Partner of its interest in the Partnership, (e) immediately prior to the dissolution and liquidation of the Partnership, (f) upon the withdrawal of the General Partner, (g) immediately prior to any distribution pursuant to Section 3.6 or (h) at such other time as the General Partner in its sole discretion shall deem appropriate.

3.4 Adjustments.

(a) As of the close of business on each of the dates provided for in Section 3.3, the Opening Capital Account of each Partner shall be adjusted to arrive at such Partner's Closing Capital Account for such quarter or other period as follows:

(i) the amount of any capital contributions paid by such Partner during such quarter or period shall be credited to such Opening Capital Account;

(ii) the amount of any distributions made to such Partner during such quarter or period shall be debited against such Opening Capital Account;

(iii) the amount of any interest charged to a defaulting Limited Partner pursuant to Section 3.8(b) shall be debited to such Partner's Opening Capital Account and credited to all other Partner's Opening Capital Accounts, pro rata in accordance with their capital contributions;

(iv) Net Short-Term Investment Income shall be credited to such Opening Capital Account and allocated among all Partners, pro rata in accordance with their capital contributions;

(v) Net Short -Term Investment Losses shall be debited to such Opening Capital Account and allocated among all Partners, pro rata in accordance with their capital contributions;

(vi) Net Profits shall be credited to such Opening Capital Account and allocated in the following manner and order of priority:

(A) First, up to an amount thereof equal to the amount of any allocations of Net Losses pursuant to the proviso of Section 3.4(a)(vii) shall be allocated to the Partners (to be apportioned among them in accordance with their respective capital contributions) in a manner that reverses the allocations made pursuant to such proviso in the inverse order of such allocations;

(B) Second, up to an amount thereof equal to the amount of any allocation of Net Losses pursuant to Section 3.4(a)(vii)(E) shall be allocated to the General Partner and the Limited Partners (to be apportioned among them in accordance with their respective capital contributions) in a manner that reverses the allocations made pursuant to such Section in the inverse order of such allocations;

(C) Third, up to an amount thereof equal to the amount of any allocation of Net Losses pursuant to Section 3.4(a)(vii)(D) shall be allocated to the Limited Partners (to be apportioned among them in accordance with their respective capital contributions) in a manner that reverses the allocations made pursuant to such Section in the inverse order of such allocations;

(D) Fourth, up to an amount thereof equal to the amount of any allocation of Net Losses pursuant to Section 3.4(a)(vii)(C) shall be allocated to the General Partner in a manner that reverses the allocations made pursuant to such Section in the inverse order of such allocations;

(E) Fifth, up to an amount thereof equal to the amount of any allocation of Net Losses pursuant to Section 3.4(a)(vii)(B) shall be allocated to the General Partner in a manner that reverses the allocations made pursuant to such Section in the inverse order of such allocations;

(F) Sixth, up to an amount thereof equal to the amount of any allocation of Net Losses pursuant to Section 3.4(a)(vii)(A) shall be allocated to the General Partner and the Limited Partners (to be apportioned among them in

accordance with their respective capital contributions) in manner that reverses the allocations made pursuant to such Section in the inverse order of such allocations;

(G) Seventh, to the Limited Partners up to an amount thereof equal to the amount of the Preferred Return not previously allocated to the Limited Partners (to be apportioned among them in accordance with their respective Preferred Returns);

(H) Eighth, to the General Partner, up to an amount thereof equal to the amount of the Preferred Return not previously allocated to the General Partner;

(I) Ninth, to the General Partner until such time as the total Net Profits allocated to the General Partner pursuant to this Section 3.4(a)(vi)(I) shall equal 20% of the total Net Profits allocated to all Partners pursuant to this Section 3.4(a)(vi)(I) and Sections 3.4(a)(vi)(G) and 3.4(a)(vi)(H) above less the Net Losses allocated to the General Partner pursuant to Section 3.4(a)(vii)(B); and

(J) Tenth, the balance thereof shall be allocated (1) 80% to the Partners (to be apportioned among them in accordance with their respective capital contributions) and (2) 20% to the General Partner.

(vii) Net Losses shall be debited against such Opening Capital Account and allocated in the following manner and order of priority:

(A) First, (1) Net Losses shall be allocated 80% to the Partners (to be apportioned among them in accordance with their respective capital contributions) and (2) 20% to the General Partner until such time as the total Net Losses allocated to such Partners pursuant to this Section 3.4(a)(vii)(A) shall equal the total Net Profits allocated to such Partners pursuant to Section 3.4(a)(vi)(J);

(B) Second, Net Losses shall be allocated to the General Partner until such time as the Net Losses allocated to the General Partner pursuant to this Section 3.4(a)(vii)(B) shall equal the total Net Profits allocated to the General Partner pursuant to Section 3.4(a)(vi)(I);

(C) Third, Net Losses shall be allocated to the General Partner until such time as the total Net Losses allocated to the General Partner pursuant to this Section 3.4(a)(vii)(C) shall equal the total Net Profits allocated to the General Partner pursuant to Section 3.4(a)(vi)(H);

(D) Fourth, Net Losses shall be allocated to the Limited Partners (to be apportioned among them in accordance with their respective capital contributions) until such time as the total Net Losses allocated to the Limited Partners pursuant to this Section 3.4(a)(vii)(D) shall equal the total Net Profits allocated to the Limited Partners pursuant to Section 3.4(a)(vi)(G); and

(E) Thereafter, Net Losses shall be allocated to the Partners to be apportioned among them in accordance with their respective capital contributions;

provided, however, that at such time as the balance of a Limited Partner's Capital Account has been reduced to zero, such allocation shall be made only to Limited Partners with a positive Capital Account balance and at such time as the Capital Account of all Limited Partners shall have been reduced to zero, Net Losses shall be allocated 100% to the General Partner.

(b) For Federal, state and local income taxes purposes, each item of Partnership income, credit, gain or loss shall be allocated among the Partners in accordance with the allocation of such income, credit, gain or loss among the Partners as provided in Section 3.2(e) and paragraph (a) above for computing their respective Capital Accounts, except as otherwise provided in the Code or other applicable law or regulation. The General Partner shall be the "tax matters partner" as such term is used in the Code and have the power to make such allocation, to take any and all action, and make any and all elections necessary under the Code or other applicable law to effect such allocations and to maintain the substantial economic effect thereof.

(c) Anything contained in this Section 3.4 or Section 3.6 to the contrary notwithstanding, any Regulated Partner may elect not to participate in the allocation of Net Profits or Net Losses attributable to an investment made by the Partnership during the immediately preceding fiscal quarter if such Partner shall deliver to the General Partner an opinion of counsel (which counsel shall be reasonably acceptable to the General Partner, in house counsel with experience in the subject matter being acceptable) to the effect that such allocation could reasonably be expected to result in a material violation of the BHCA, without regard to Section 4(k) thereof, by such Partner. The election and legal opinion referred to in the previous sentence shall be delivered to the General Partner at any time prior to the last day of the fiscal quarter in which a Limited Partner shall be notified of the investment by the Partnership. If a Regulated Partner shall make an election under this paragraph (c) and the General Partner is not able to cure the circumstances giving rise to such election (without selling the Security giving rise to the circumstances) to the reasonable satisfaction of such Partner, then all Net Profits, Net Losses and Operating Expenses attributable to such Securities otherwise allocable to such Partner and all distributions otherwise distributable to such Partner with respect to such Securities after the delivery of such notice by such Partner shall be allocated and distributed to all other Partners (including the General Partner) in accordance with Section 3.4(a) and Section 3.6, and the Commitment of such Limited Partner shall be reduced, effective as of the date of delivery of such notice by such Partner, by an amount equal to the Partnership's cost of such Securities times the percentage determined by dividing such Partner's Commitment at the date on which such investment is made by the Commitments of all Partners on such date; and an amount equal to such reduction of such Partner's Commitment as aforesaid shall be repaid to such Partner in cash or by credit against future capital calls owing by such Partner hereunder.

3.5 Valuation.

(a) For the purposes of this Agreement, the value of any Security as of any date (or in the event such date is a holiday or other day which is not a business day, as of the next preceding business day) shall, subject to Sections 3.5(b) and (c), be determined by the General Partner as follows:

(i) a Publicly Traded Security listed on a securities exchange shall be valued on any day at its last sales price on such day or, if no sale occurred on such day, at its last "bid" price quoted on such securities exchange;

(ii) a Publicly Traded Security traded in the over-the-counter market shall be valued on any day at the average of its last bid price (or, in the case of securities listed on the Nasdaq National Market, at the last sale price) on such day and the ten preceding and succeeding trading days (except that for purposes of making any distribution of Securities in kind, such Securities shall be valued at the average of its last bid price (or, in the case of securities listed on the Nasdaq National Market, at the last sale price) on the ten trading days preceding the first business day preceding the date of distribution); and

(iii) all other Securities shall be valued initially at fair market value.

(b) Any Security which is held under a representation that it has been acquired for investment and not with a view to the distribution thereof, or which is subject to any other restriction affecting marketability (such as a restriction commonly referred to as an "underwriting lockup" or a volume limitation imposed by Rule 144) when held or distributed, shall be valued at such discount from the value determined under the applicable provision of Section 3.5(a) as may be necessary to reflect properly the restricted marketability of such Security; provided, however, that the following Securities may be valued without such discount:

(i) Securities which would be immediately salable by the Partnership pursuant to Rule 144 without any volume limitation;

(ii) Securities which would, upon a distribution of such Securities to a Partner pursuant to this Agreement, be immediately salable by such Partner pursuant to Rule 144 (assuming for all determinations under this clause (ii) that such Partner is not an "affiliate" (as defined in Rule 144) of the issuer of such Securities, and that such Partner does not own and has not sold any Securities of the same class of securities of such issuer); and

(iii) Securities which are being distributed in kind and upon such distribution pursuant to this Agreement will be immediately salable by the Partners pursuant to a registration statement effective under the Securities Act at the time of such distribution.

(c) All valuation decisions pursuant to Sections 3.5(a)(iii) and 3.5(b) shall require the approval of the Valuation Committee. The authority of the Valuation Committee shall not affect authority of the General Partner to make investment decisions.

3.6 Distributions.

(a) The Partnership shall make distributions in cash or property (including Securities) of the net proceeds from the sales of all Securities (other than Cash Equivalent Securities disposed of to permit the Partnership to fund an investment) after setting aside any reserve deemed to be necessary by the General Partner in its reasonable discretion. The net proceeds from the disposition of Portfolio Securities not otherwise expected to be utilized for

investments or expenses of the Partnership shall be distributed within 90 days of the receipt of thereof. Net proceeds from the disposition of Cash Equivalent Securities in excess of Operating Expenses shall be distributed at least annually. For administrative convenience, the General Partner shall not be required to make any distributions unless and until the aggregate amount to be distributed equals at least $2,000,000. All distributions hereunder shall be made as follows:

(i) Cash Equivalent Securities and the proceeds therefrom, net of expenses, will be distributed to the Partners in accordance with their respective capital contributions.

(ii) Portfolio Securities owned by the Partnership and cash proceeds from the sale or exchange of Portfolio Securities will be distributed to the Partners as follows:

(A) First, to the Limited Partners up to an aggregate amount equal to the aggregate capital contributions of all Limited Partners at the date of distribution, pro rata in accordance with such capital contributions;

(B) Second, to the General Partner up to an aggregate amount equal to the aggregate capital contributions of the General Partner at the date of distribution;

(C) Third, to the Limited Partners up to an aggregate amount equal to their Unpaid Preferred Return pro rata in accordance with their respective Unpaid Preferred Returns;

(D) Fourth, to the General Partner up to an aggregate amount equal to its Unpaid Preferred Return;

(E) Fifth, to the General Partner until the General Partner shall have received pursuant to this clause (E) an amount equal to 20% of the total amount distributed pursuant to this clause (E) and clauses (C) and (D) above; and

(F) Sixth, (1) 20% to the General Partner and (2) 80% to the Partners in accordance with their respective capital contributions.

(b) Subject to Section 3.6(f), the Partnership may at any time distribute Securities in kind, each such distribution to be made in the same proportion among all Partners. Any distributed Securities shall be deemed sold by the Partnership at their fair market value on the date immediately prior to the distribution date. All Securities distributed in kind shall not be subject to any "underwriter's lockup" or other contractual restrictions applicable thereto. Except as provided in Section 4.1, only Publicly Traded Securities that are registered or can be sold pursuant to Rule 144 without restrictions on volume shall be distributed in kind to the Partners.

(c) Notwithstanding any other provision of this Agreement and after giving effect to the provisions of Section 4.1(d), in the event that following the dissolution of the Partnership and distribution of all Partnership assets, the General Partner shall have received aggregate distributions under any Section hereof, on a cumulative basis, in excess of the amount that would have been distributable to it solely under paragraph (a)(i) and (ii) above (the "Excess Amount"),

if all Net Profits and Net Losses of the Partnership were allocated as of the date of such dissolution and all distributions by the Partnership had been made at such time, then the General Partner shall be obligated to return to the Partnership (i) the Excess Amount in cash or Securities (which Securities shall be valued at the time they are returned to the Partnership) that were either distributed by the Partnership to the General Partner or that are Cash Equivalent Securities less (ii) the amount of any Federal, state and local tax liability of the General Partner, the partners of the General Partner, XACP or any stockholder of XACP (as the case may be) arising as a result of the prior allocation of gains to the General Partner (and any allocation thereof by the General Partner to its partners) with respect to the Excess Amount. All amounts returned to the Partnership under this paragraph shall be distributed to the Partners within 30 days in accordance with their capital contributions. No interest shall be payable with respect to any amount returned by the General Partner pursuant to this paragraph.

(d) The Partnership shall at all times be entitled to make payments with respect to any Limited Partner in amounts required to discharge any obligation of the Partnership to withhold or make payments to any governmental authority for any Federal, state and local tax liability of such Limited Partner arising as a result of such Limited Partner's interest in the Partnership. Prior to making any such payment the Partnership shall give any such Limited Partner at least 20 days' notice of any such amounts, the circumstances giving rise to such withholding payment and the date on which the Partnership will make such payment. A Limited Partner may, but shall not be required to, enter into an agreement with the General Partner in form and substance satisfactory to the General Partner within 15 days of delivery of the foregoing notice to such Limited Partner under which such Limited Partner agrees to protect the Partnership from all losses, liabilities, costs and expenses (including reasonable attorneys' and accountants' fees and expenses) arising out of the Partnership's failure to make such withholding payment. If a Limited Partner shall not have entered into an agreement contemplated by the immediately preceding sentence, the Partnership shall make such payment and such payment by the Partnership shall be deemed to be a loan by the Partnership to such Limited Partner and shall not be deemed to be a distribution for purposes of paragraph (a)(ii) above. The amount of such payments made with respect to any Limited Partner, plus interest on each such amount from the date of each such payment until such amount is repaid to the Partnership at the interest rate on six-month U.S. Treasury bills in effect at the time of each such payment by the Partnership, shall be repaid to the Partnership by (A) deduction from any distributions made to any such Limited Partner pursuant to this Agreement or (B) earlier payment of such amounts and interest by the Limited Partner to the Partnership.

(e) Anything contained herein to the contrary notwithstanding, the General Partner and the Limited Partners shall at all times be entitled to receive cash distributions ("Tax Distributions") from the Partnership (after taking into account any other distributions received by such Partners prior to the Tax Distribution in the fiscal year in which such Tax Distribution is made and in the immediately preceding fiscal year) in amounts sufficient to enable the General Partner (and its partners, XACP and the executive officers and directors of XACP) and the Limited Partners to discharge any Federal, state and local tax liability arising out of their interest in the Partnership, directly or indirectly, which tax liability shall be assumed to be calculated at the highest individual marginal Federal, state and local tax rate in effect for the year in which the income is taxable.

(f) Upon receipt from a Limited Partner of certification by such Limited Partner to the effect that there is a substantial likelihood that a distribution of any Security to such Partner would not permit such Limited Partner to comply with an applicable law, rule or regulation (without regard to the application of Section 4(k) of the BHCA to any Regulated Partner) delivered by such Limited Partner at any time prior to the business day immediately preceding the distribution of any of such Securities to such Limited Partner, then the General Partner shall use its reasonable best efforts to dispose of such Securities on behalf of such Limited Partner and shall distribute the net proceeds thereof to such Limited Partner; provided, however, that any difference between the sale price and the distribution value of such Securities shall be for the account of such Limited Partner.

3.7 Calculations.

For all purposes of this Agreement, in calculating Net Profits and Net Losses, no reduction or other adjustment shall be made for Federal, state or local income taxes required to be paid by the Partners other than taxes imposed on the Partnership.

3.8 Noncontributing Partners.

(a) The Partnership shall be entitled to enforce the obligations of each Partner to make the contributions to capital specified in Sections 3.1 and 3.2, and the Partnership shall have all remedies available at law or in equity in the event any such contribution is not so made.

(b) In the event that any Limited Partner fails to make a contribution required under Section 3.1 or 3.2 and to cure such failure within 45 days of notice from the General Partner, the General Partner may, in its sole discretion, elect to charge such Limited Partner interest at an annual rate equal to the interest rate publicly announced by Mellon Bank, N.A. from time to time as its prime rate plus 6% (or the highest rate permitted by applicable law, if less) on the amount due from the date such amount became due until the earlier of (i) the date on which such payment is received by the Partnership or (ii) the date of any notice given to such Limited Partner by the General Partner pursuant to paragraph (c) or (d) below. Any distributions to which such Limited Partner is entitled shall be reduced by the amount of such interest, and such amount shall be allocated among the remaining Partners in accordance with their respective capital contributions. The amount of interest charged as provided in this Section 3.8(b) shall not exceed the amount of such Limited Partner's Capital Account.

(c) In addition, in the event that any Limited Partner fails to make a contribution required under Section 3.1 or 3.2 and to cure such failure within 45 days of notice from the General Partner, the General Partner may, in its sole discretion by notice to all Limited Partners, elect that such Limited Partner's Capital Account be reduced by 50%. Upon such notice 50% of the defaulting Limited Partner's Capital Account shall be deemed reallocated to the other Partners (other than defaulting Limited Partners) pro rata in accordance with their respective Capital Accounts.

(d) In addition, in the event that any Limited Partner fails to make a contribution required under Section 3.1 or 3.2 and to cure such failure within 45 days of notice from the General Partner, the General Partner may, in its sole discretion by notice to such Limited Partner,

elect that such Limited Partner's Commitment be reduced to the amount of any contributions of capital previously made by such Limited Partner pursuant to Section 3.1 or 3.2. Upon such notice (i) such Limited Partner shall have no right to make any contribution thereafter (including the contribution as to which the default occurred and any contribution otherwise require to be made thereafter pursuant to the terms of Section 3.1 or 3.2) and (ii) Schedule A shall be deemed amended to reflect such reduced Commitment. The General Partner may offer the defaulting Limited Partner's unpaid Commitment to the other Limited Partners (other than defaulting Limited Partners) pro rata in accordance with their Commitments, in accordance with such time limits as the General Partner shall determine, and to itself or any third party approved by the other Limited Partners to the extent that the Limited Partners have not accepted such offer.

(e) In addition, no part of any distribution shall be paid to any Limited Partner from which there is then due and owing to the Partnership, at the time of such distribution, any amount required to be paid to the Partnership. At the election of the General Partner, the Partnership may either (i) apply all or part of any such withheld distribution in satisfaction of the amount then due to the Partnership from such Limited Partner or (ii) withhold such distribution until all amounts then due are paid to the Partnership by such Limited Partner. Upon payment of all amounts due to the Partnership (by application of withheld distributions or otherwise), the General Partner shall distribute any unapplied balance of any such withheld distribution to such Limited Partner. No interest shall be payable on the amount of any distribution withheld by the Partnership pursuant to this Section.

ARTICLE IV

RETIREMENT, TERMINATION AND DISSOLUTION

4.1 Termination.

(a) The Partnership shall be dissolved upon the first to occur of the following:

(i) subject to Section 4.3 hereof, an event of withdrawal (as defined in Section 17-101(3) of the Delaware Act) of the General Partner;

(ii) the expiration of the term of the Partnership as set forth in Section 1.4; or

(iii) the determination of the Partners to dissolve and terminate the Partnership as provided in paragraph (b) below.

The Partnership shall not dissolve upon the dissolution, bankruptcy, death or adjudication of incompetency or insanity of any Limited Partner.

(b) The General Partner may, with the approval of a Majority in Interest of the Limited Partners, dissolve the Partnership at any time by giving notice to each Limited Partner of such dissolution not less than 30 days before the effective date of such dissolution.

(c) Within 180 days after the effective date of dissolution of the Partnership, whether by expiration of its full term or otherwise, the Partnership's assets (except for amounts

reserved pursuant to Section 4.4) shall, subject to applicable provisions of the Delaware Act, be distributed by the General Partner or, in the event of the unavailability of the General Partner, by a person designated by a Majority in Interest of the Limited Partners, in the following manner and order:

(i) the claims of all creditors of the Partnership who are not Partners shall be paid and discharged or adequately reserved against;

(ii) the claims of all creditors of the Partnership who are Limited Partners shall be paid and discharged or adequately reserved against;

(iii) the claims of all creditors of the Partnership who are General Partners shall be paid and discharged or adequately reserved against; and

(iv) as provided in Section 3.6(a).

To the extent permissible under the Delaware Act and if the General Partner determines that the circumstances are appropriate, the General Partner will consider forming a liquidating trust in connection with the dissolution of the Partnership to hold assets pending final distributions to the Partners.

(d) After the liquidation of the Partnership or upon the withdrawal of the General Partner (if the person or entity to be admitted as a new General Partner shall not have assumed the obligations of the withdrawing General Partner to contribute to the Partnership an amount equal to the deficit, if any, in the General Partner's Capital Account), the General Partner shall contribute to the Partnership an amount equal to any deficit in its Capital Account.

(e) It is the intention of the General Partner not to distribute Securities in kind to the Partners in liquidation that are not Publicly Traded Securities. If upon the liquidation of the Partnership there shall be any Securities that are not Publicly Traded Securities, then notwithstanding the provisions of Section 4.1(c), the General Partner shall use reasonable efforts to dispose of such Securities on terms that the General Partner determines in its sole discretion to be reasonable. If, despite such efforts, the General Partner is unable to dispose of such Securities within such time period as the General Partner deems reasonable, the General Partner shall distribute such Securities to the Partners in accordance with the provisions of Section 3.6(a).

4.2 Death or Disability of a Natural Person Limited Partner.

If a Limited Partner who is a natural person shall die or become incapacitated, his Legal Representative shall be substituted as a Limited Partner, subject to all the terms and conditions of this Agreement and the Delaware Act.

4.3 Withdrawal of the General Partner and Continuation of the Partnership.

(a) If an event of withdrawal (as defined in the Delaware Act) of the General Partner shall have occurred, the Partnership shall not be dissolved if, within 90 days after such event of withdrawal of the General Partner, all the Limited Partners agree in writing to continue

the business of the Partnership and to the appointment, effective as of the date of withdrawal of the General Partner, of one or more additional General Partners.

(b) Upon an event of withdrawal of the General Partner without continuation of the Partnership as provided above, the affairs of the Partnership shall be wound up in accordance with the provisions of Section 4.1.

(c) Any person or entity that acquires, in any manner whatsoever, except as provided in this Section and Section 6.1, the interest, or any portion thereof, of the General Partner, shall not be a General Partner but shall become a special limited partner (a "Special Limited Partner") upon its written acceptance and adoption of all the terms and provisions of this Agreement. Such person or entity shall, to the extent of the interest transferred to it, acquire no more than the interest of the General Partner in the Partnership as it existed on the date of such transfer, and shall be entitled to receive distributions in respect of such interest at such time as the General Partner shall be entitled to receive distributions from the Partnership. No such person shall have any right to participate in the management of the affairs of the Partnership or to vote with the Limited Partners, and the interest acquired by such person shall be disregarded in determining whether any action has been taken by any percentage of the limited partnership interests.

4.4 Retirement from the Partnership.

(a) Except as otherwise provided in Section 2.4, no Limited Partner may retire from the Partnership.

(b) In the event that pursuant to Section 2.4 a Limited Partner shall elect or be required by the General Partner to retire from the Partnership, such Retirement shall be effective on the last day of the fiscal quarter during which notice is given pursuant to Sections 2.4(c) by the General Partner to such Limited Partner requiring Retirement, or during which notice is given by such Limited Partner to the General Partner electing to withdraw from the Partnership as a Retirement, as the case may be, except that (i) if the period between the giving of such notice and the last day of such fiscal quarter is less than 30 days, on the last day of the next succeeding fiscal quarter and (ii) the General Partner may elect to cause any Retirement pursuant to Section 2.4(c) to be effective as of the giving of such notice; provided that such effective date of Retirement may be upon the date on which a Limited Partner shall give notice of such withdrawal if such Limited Partner shall pay to the Partnership the costs incurred by the Partnership in effecting such withdrawal other than as of the last day of a fiscal quarter.

(c) Upon Retirement of a Limited Partner pursuant to this Section 4.4 or Section 2.4(c) the Partnership shall, within nine months after the effective date of such Partner's Retirement, subject to the provisions of Sections 4.4(d) and 4.7 and the Delaware Act, either repurchase or arrange to have a third party purchase, the retiring Limited Partner's Closing Capital Account and all of such retiring Limited Partner's interest in the Partnership (or portion thereof in the case of a partial withdrawal). The purchase price to be paid for such retiring Limited Partner's Closing Capital Account and aforesaid interest shall be 100% (or portion being retired) of such Partner's Distributive Share on the date on which the Retirement becomes effective pursuant to Section 4.4(b). If the General Partner shall make any such purchase

available to a party other than the Partnership, it shall first make such purchase available to the non-retiring Limited Partners on a pro rata basis in accordance with their respective capital contributions.

(d) All payments made to a retiring Limited Partner by the Partnership pursuant to Section 4.4(c) prior to the dissolution of the Partnership may be made in whole or in part in cash or Securities other than cash, in the discretion of the General Partner as it determines to be in the best interests of the Partnership; provided, however, that any payment in Securities other than cash shall be approved by the Valuation Committee and the percentage of any particular issue of such Securities so distributed shall not exceed the retiring Partner's percentage interest in the Closing Capital Accounts of the Partners. If the Partnership shall distribute Securities pursuant to this paragraph (d) that are not Publicly Traded Securities, the Partnership shall use its reasonable efforts, subject to any contractual and legal restrictions applicable to the Partnership and/or the Limited Partner receiving such Securities, to provide that such Limited Partner shall be offered the right, upon at least 10 days' prior notice, to dispose of a portion of such Securities at such time as the Partnership shall dispose of such Securities, on substantially the same terms. If so requested by the Partnership, such Limited Partner shall also agree to dispose of such Securities simultaneously with, and on substantially the same terms as, the Partnership. The relative amounts of Securities to be sold by the Partnership and any Limited Partner under this paragraph (d) shall be based upon the relative amount of Securities owned by the Partnership and such Limited Partner on the date of such sale.

(e) Commencing with the first fiscal period following the date on which a Limited Partner's Retirement is deemed to have become effective pursuant to Section 4.4(b), unless and until such time as a retired Limited Partner's Closing Capital Account is repurchased or purchased in accordance with Section 4.4(c), the retired Limited Partner's account established pursuant to Section 4.5 will be adjusted from time to time as follows:

(i) by debiting any distributions made therefrom to the retiring Limited Partner in accordance with Section 3.6(a);

(ii) by debiting or crediting Net Profits and Net Losses attributable to such retired Limited Partner's account in accordance with his proportionate interest in Securities reserved pursuant to Section 4.7(a), such proportionate interest to be determined as provided in said Section; and

(iii) by debiting, when paid, a pro rata portion (based on such Partner's capital contributions) of Operating Expenses.

For purposes of allocations made under Sections 4.4(e)(ii), realized gains or losses shall, as to each Security, be taken into account only to the extent of any differences between the actual amount of such gains or losses and the aggregate amount of unrealized appreciation or depreciation as to such Security as of the close of the preceding fiscal period.

(f) A retiring Limited Partner shall be entitled to receive only the distributions or payments provided for in this Agreement, including this Section 4.4, and shall not be entitled to

receive or demand any other or further distributions, including any distribution pursuant to Section 17-604 of the Delaware Act.

4.5 Termination of Limited Partner's Rights.

Upon the date on which the Retirement of a Limited Partner is deemed to have become effective pursuant to this Agreement, (i) all (or the portion subject to Retirement) of such Limited Partner's rights in specific Partnership property, including all books of account, records and papers of the Partnership, shall immediately, and without further assignment, pass to and become vested in, the remaining or surviving Partners, (ii) all (or portion thereof, as applicable) of such Limited Partner's Capital Account shall be eliminated and a new account, which shall reflect the retiring Partner's Capital Account immediately prior to the effective date of his Retirement and which shall be adjusted from time to time as provided in Section 4.4(e), shall be established in lieu thereof, and (iii) such Limited Partner, or his Legal Representative, shall thereafter have only the right to receive the distribution to retiring Limited Partners provided for in Section 4.4 and his interest in the amounts reserved, if any, pursuant to Section 4.7. Neither a retired Limited Partner nor his Legal Representative shall have any voice in the affairs of the Partnership after the date of such Partner's complete Retirement, but such Limited Partner or his Legal Representative shall have access to the books of the Partnership and the right to make copies thereof to such extent as may be necessary to obtain full information with respect to his Distributive Share and his accounts created pursuant to this Section 4.5.

4.6 Partial Withdrawals.

Partial withdrawals by the General Partner or any Limited Partner of any amount of its Capital Account shall not be permitted except as provided in Section 2.4(e).

4.7 Amounts Reserved and Pending Claims.

(a) If there are any assets which, in the judgment of the General Partner, cannot be sold, or be properly distributed in kind in the case of dissolution of the Partnership or retirement of a Limited Partner, without sacrificing a significant portion of the value thereof, the value of a Partner's interest in each separate group of such assets may be excluded from such Partner's Capital Account for purposes of computing a Partner's Distributive Share. A retired Limited Partner's pro rata interest in such excluded assets shall be the same as his proportionate interest in the Closing Capital Accounts of the Partnership as of the effective date of his Retirement. Any Partner's interest, including his pro rata interest in any gains, losses or distributions, in assets so excluded, shall not be paid or distributed until such time as the General Partner shall determine.

(b) If there is any pending transaction or claim by or against the Partnership as to which the interest or obligation of any Partner therein cannot, in the judgment of the General Partner be then ascertained, the estimated value thereof or probable loss therefrom may be excluded from the valuation of assets for purposes of computing any Partner's Distributive Share or offering any Limited Partner's Capital Account for purchase pursuant to Section 4.4. No amount shall be paid or charged to the Capital Account of any such Partner or his Legal Representative on account of any such transaction or claim until its final settlement or such

earlier time as the General Partner shall determine; the Partnership may meanwhile retain from other sums due such Partner or his Legal Representative an amount which the General Partner estimates to be sufficient to cover the share of such Partner in any probable loss or liability on account of such transaction or claim.

(c) Upon determination by the General Partner that circumstances no longer require the exclusion of assets or retention of sums as provided in Sections 4.7(a) and (b), the General Partner shall, at the earliest practicable time, pay such sums or distribute such assets or the proceeds realized from the sale of such assets to each Partner (including any Retired Partner) from whom such sums or assets have been withheld. In the event of a Retirement, no adjustment shall be made to the amounts owing Partners for imputed interest during the period the sums so excluded or the assets so retained are withheld by the Partnership.

ARTICLE V

REPORTS TO PARTNERS

5.1 Books of Account.

The Partnership shall keep appropriate records and books of account, on the accrual basis, at the principal place of business of the Partnership. Each Partner shall have access to all records and books of account and the right to receive copies thereof; provided, however, that the Partnership shall not be required to disclose any information covered by a confidentiality agreement to which the Partnership is a party that does not permit disclosure of such information to the Limited Partners. Notwithstanding the foregoing sentence, (a) the Partnership shall make reasonable efforts to avoid entering into such confidentiality agreements, (b) the Partnership shall make available to members of the Valuation Committee, subject to the execution and delivery of a confidentiality agreement by such members in the event the General Partner is required by any party to obtain such an agreement from members of the Valuation Committee prior to releasing such information (which confidentiality agreement shall be in the form that the General Partner shall have been required to execute and deliver in respect of the information provided to such members or as otherwise agreed upon by the General Partner with any member of the Valuation Committee), confidential information of the Partnership to the extent that such information is necessary for such members to take action hereunder in their capacity as such members and (c) the Partnership shall in all cases make available to Limited Partners and their representatives all financial and accounting records pertaining to this Agreement.

5.2 Audit and Report.

(a) The books and records of the Partnership shall be kept according to generally accepted accounting principles consistently applied, except as otherwise provided herein, and its financial statements shall be audited and certified as of the end of each fiscal year by a firm of independent certified public accountants of national recognition and standing selected by the General Partner. Within 75 days of the end of each fiscal year, the Partnership shall prepare and mail to each Partner a report, setting forth as at the end of such fiscal year:

(i) a balance sheet of the Partnership;

(ii) an income statement of the Partnership and each Partner's share of the Net Profits or Net Losses reflected thereon;

(iii) a statement of changes in partners' position;

(iv) each Partner's Closing Capital Accounts;

(v) the amount of each Partner's share in the Partnership's taxable income or loss for such year, in sufficient detail to enable it to prepare its Federal, state and other tax returns;

(vi) the name of each issuer of Securities (other than Cash Equivalent Securities) held by the Partnership, the cost basis of such Securities and the value thereof as determined pursuant to Section 3.5;

(vii) in the case of Securities (other than Cash Equivalent Securities) acquired since the end of the immediately preceding fiscal period, a description of the issuer's business and the Securities so acquired, including the cost thereof, and the percentage interest of the Partnership in such issuer;

(viii) in the case of Securities (other than Cash Equivalent Securities) disposed of since the end of the immediately preceding fiscal period, a description of the Securities so disposed of, the cost thereof and the amount realized upon such disposition; and

(ix) any other information the General Partner, after consultation with any Limited Partner requesting the same, shall deem necessary or appropriate.

The information referred to in clauses (i) through (v) above shall be included in the report prepared and certified by the independent certified public accountants of the Partnership. The Partnership shall also cause to be delivered to each Limited Partner upon request such other information as shall be needed by such Limited Partner in order to enable it to file any of its tax returns and will also from time to time furnish such other information as such Limited Partner may reasonably request for the purpose of enabling it to comply with any reporting, filing or withholding requirements imposed by any statute, rule, regulation or otherwise by any governmental agency or authority.

(b) Within 45 days of the end of each fiscal quarter (other than the last fiscal quarter of each year) the Partnership shall prepare and mail to each Partner a report of the General Partner setting forth for such fiscal quarter the information described in paragraph (a)(i), (ii), (iii), (iv), (vi), (vii) and (viii) above.

5.3 Fiscal Year.

The fiscal year of the Partnership shall be a twelve-month year (except for the first year) ending on December 31.

ARTICLE VI

MISCELLANEOUS

6.1 Assignability.

(a) No Limited Partner may sell, assign, pledge or otherwise transfer its interest in the Partnership or in this Agreement, except (i) with the prior written consent of the General Partner (not to be unreasonably withheld) or (ii) in the case of an ERISA Partner, any assignment to a replacement trustee or fiduciary thereof so long as the replacement trustee or fiduciary is also a fiduciary under ERISA and written notice is given to the Partnership within 30 days after the effective date of such change. The General Partner may not sell, assign, pledge or otherwise transfer its interest in the Partnership or in this Agreement, except with the prior written consent of a Majority in Interest of the Limited Partners.

(b) No assignment by any Partner shall be allowed if the actions to be taken in connection with such assignment will cause the termination or dissolution of the Partnership, will cause it to be classified other than as a partnership for Federal income tax purposes or will cause it to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code. No assignee of an interest pursuant to Section 6.1(a)(ii) above shall be admitted as a substitute Limited Partner without the prior written consent of the General Partner.

(c) Each assignee of a Partnership interest shall, prior to or upon the effectiveness of such assignment, execute an agreement in form reasonably satisfactory to the General Partner under which such assignee shall assume all of the obligations of the assigning Partner hereunder and agree to be bound by the terms hereof. Any assignee of any interest in the Partnership pursuant to an assignment in compliance with this Section 6.1 shall have the same rights and responsibilities under this Agreement as its assignor and shall succeed to the Capital Account and balance thereof.

(d) In the case of a transfer by the General Partner of its entire interest in the Partnership pursuant to a transaction approved by the Limited Partners in accordance with this Section 6.1, the transferee shall be admitted as a General Partner hereunder immediately prior to the effective date of such transfer and shall continue the business of the Partnership without dissolution. Such transfer shall not be deemed an event of withdrawal of the transferring General Partner for purposes of the termination provisions set forth in Sections 4.1(a)(i) and 4.3.

6.2 Authority to Act.

Notwithstanding anything to the contrary contained herein, the acts of the General Partner in carrying on the business of the Partnership as authorized herein shall bind the Partnership.

6.3 Binding Agreement.

This Agreement shall be binding upon the heirs, assigns and Legal Representatives of the Partners.

6.4 Notice.

All notices hereunder shall be in writing and shall be deemed to have been duly given if (a) personally delivered, (b) delivered by facsimile, (c) mailed by registered or certified mail, return receipt requested, or (d) dispatched by an overnight courier. Notices to the Partnership shall be sent to the address of the General Partner set forth in Section 1.3(a) of this Agreement, and notices to the Partners shall be sent to the addresses set forth in Schedule A, or such other addresses as to which the Partnership shall have been given notice. Notices shall be deemed to have been given (i) as of the day personally delivered, (ii) as of the day sent by facsimile (if sent during normal business hours, or if sent after business hours, then the following business day, and in each case followed by first class mail), (iii) as of the third day after being mailed as aforesaid or (iv) as of the first business day after being dispatched by overnight courier.

6.5 Counterparts.

This Agreement may be executed in more than one counterpart with the same effect as if the parties executed one counterpart as of the day and year first above written; provided, however, that each separate counterpart shall have been executed by the General Partner and that the several counterparts, in the aggregate, shall have been signed by all the parties identified in the preamble hereof.

6.6 Entire Agreement; Amendments; Voting by Regulated Partners.

(a) This Agreement, the Subscription Agreements and any other written agreements between the General Partner or the Partnership and a Limited Partner (it being agreed that the General Partner or the Partnership may enter into written agreements with Limited Partners in order to meet certain requirements of such Limited Partners in connection with their admission or status as Limited Partners) set forth the entire understanding of each of the parties hereto and thereto. This Agreement shall not be amended except by an instrument in writing executed by the General Partner and a Majority in Interest of the Limited Partners (excluding all Affiliates of the General Partner from such votes of the Limited Partners).

(b) Any interest in the Partnership by a Regulated Partner, that is determined at the time of admission of that Regulated Partner to be in excess of 4.99% (or such greater percentage as may be allowed by the BHCA, but without regard to the application of Section 4(k) of the BHCA) of the interests of Limited Partners, excluding for purposes of calculating this percentage portions of other interests that are non-voting interests pursuant to this Section 6.6 (collectively, the "Non-Voting Interests"), but including for purposes of calculating this percentage Limited Partnership interests owned by any Affiliates of that Regulated Partner, shall be a Non-Voting Interest (whether or not subsequently transferred in whole or in part to any other person) except as provided in the following sentence and except that no Interest held by a Regulated Partner shall be deemed to be a Non-Voting Interest in connection with any vote or consent by the Limited Partners with respect to the issuance of additional amounts or classes of interests in the Partnership that are senior to the Interests held by the Limited Partners or the dissolution of the Partnership.

(c) Notwithstanding the foregoing, any Regulated Partner may elect not to be governed by Section 6.6(b) by providing the General Partner with written notice and an opinion of counsel (which counsel shall be reasonably acceptable to both the Regulated Partner and the General Partner and which counsel shall include any in-house counsel of the Regulated Partner) to the effect that, as a result of a change in law or regulation applicable to such Regulated Partner or for such other reason as may be specified in such opinion, such Regulated Partner is not prohibited from acquiring or controlling any or all of its Non-Voting Interests, in which case only the amount of the interests held by such electing Regulated Partner as may be specified in such opinion to be subject to this paragraph shall continue to be Non-Voting Interests. Any such election by a Regulated Partner may be rescinded at any time by providing the General Partner with written notice and an opinion of counsel (which counsel shall be reasonably acceptable to both the Regulated Partner and the General Partner and which counsel shall include any in-house counsel of the Regulated Partner) to the effect such Regulated Partner is prohibited by law or regulation applicable to such Regulated Partner from acquiring or controlling a specified percentage of interests of the Limited Partners.

6.7 Power of Attorney.

Each Limited Partner hereby appoints the General Partner and XACP as its true and lawful representative and attorney-in-fact in his name, place and stead to make, execute, sign and file all instruments, documents and certificates which, from time to time, may be required by the laws of the United States of America, the State of Delaware or any other state in which the Partnership shall determine to do business, or any political subdivision or agency thereof, to execute, implement and continue the valid and subsisting existence of the Partnership. Each Limited Partner (other than PSERS and any other Limited Partner indicating in writing to the General Partner that such Partner shall not grant any right to the General Partner or XACP under this sentence as to this power of attorney relating to the Guarantee who may in each case execute and deliver a copy of the Guarantee to the General Partner) also hereby appoints the General Partner and XACP as its true and lawful representative and attorney-in-fact in its name, place and stead to accept, execute and sign the Guarantee on behalf of the Partnership and the Limited Partners. The General Partner and XACP, as representatives and attorneys-in-fact, however, shall not have any rights, powers or authority to amend or modify this Agreement when acting in such capacity, except as expressly provided herein. Such power of attorney is coupled with an interest and shall continue in full force and effect notwithstanding the subsequent death or incapacity of such Limited Partner.

6.8 Confidentiality.

Each Partner shall not, and shall cause its directors, officers, agents, and representatives not to, disclose to any person or entity (other than any such director, officer, agent, or representative) any information relating to or used in the conduct of the business of the Partnership which is not publicly available (or becomes publicly available through the fault of such Partner or any such director, officer, agent, or representative). Nothing contained herein shall prevent any Partner from furnishing any required information in compliance with legal requirements.

SCHEDULE A

Cross Atlantic Technology Fund, L.P.

General Partner	**Commitment**
XATF Management, L.P. 3 Radnor Corporate Center, #310 100 Matsonford Road Radnor, PA 19087	$6,028,333

Limited Partner	**Commitment**

Commonwealth of Pennsylvania Public School Employees' Retirement System 5 North Fifth Street Harrisburg, PA 17101	$50,000,000 - not to exceed 25% of the Commitments of the Partners [$30,141,666 as of 3/21/00]

IN WITNESS WHEREOF, parties have executed and delivered this Agreement as of the date first written above.

GENERAL PARTNER:

XATF MANAGEMENT, L.P.

By: **Cross Atlantic Capital Partners, Inc.**
its General Partner

By: _____
Name:
Title:

LIMITED PARTNER:

COMMONWEALTH OF PENNSYLVANIA
PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

By: _____
Name: John C. Lane
Title: Chief Investment Officer

By: _____
Name: Dale H. Everhart
Title: Executive Director

Approved for form and legality:

_____
Thomas E. Ross, Chief Counsel Public School Employees' Retirement System

_____
Chief Deputy Attorney General Office of Attorney General

_____
Deputy General Counsel Office of General Counsel