BEFORE THE SECURITIES COMMISSIONER OF THE STATE OF DELAWARE

IN THE MATTER OF:)
) CASE NO. 09-11-2
AllianceBernstein L.P.,)
Respondent.)
Respondent.	,

SETTLEMENT AGREEMENT

WHEREAS, the Delaware Division of Securities (the "Division") is a unit within the Delaware Department of Justice directed by the Delaware Securities Commissioner (the "Commissioner"), which derives its authority from the Attorney General pursuant to the Delaware Securities Act (the "Delaware Securities Act", 6 *Del. C.* Ch. 73); and

WHEREAS, Respondent AllianceBernstein L.P. ("AllianceBernstein" or "Respondent") has advised the Division of its intent to resolve the complaint filed in the above-captioned matter on November 30, 2011 (the "Complaint") by this Settlement Agreement; and

WHEREAS, the Respondent elects permanently to waive any and all rights that it or its respective successors and/or assigns may have with respect to this Settlement Agreement, including any and all rights to a hearing or an appeal; and

WHEREAS, the Respondent agrees to release and hold harmless the Division and its representatives and agents from any and all liability and claims arising out of, pertaining to, or relating to this matter; and

WHEREAS, the Respondent agrees not to take any action or to make or permit

to be made any public statement creating the impression that this Settlement Agreement is without a factual basis; provided, however, that nothing in this paragraph affects any of the Respondent's (a) testimonial obligations; (b) right to take legal or factual positions in defense of litigation or in defense of other legal proceedings in which the Division is not a party; or (c) right to make public statements that are factual;

NOW THEREFORE, the Division and the Respondent hereby enter into this Settlement Agreement.

NOW THEREFORE, the parties agree to the following settlement terms:

- 1. Upon the parties' execution of this Settlement Agreement, each count of the Complaint (Case No. 09-11-2) will be dismissed as to each of the Respondents.
- 2. Within thirty (30) days of the execution of this agreement by the Division and AllianceBernstein, AllianceBernstein agrees to pay a monetary penalty to the Division in the amount of twenty thousand dollars ("\$20,000.00), payable to the State of Delaware on a check drawn on good and sufficient funds, to be deposited into the Investor Protection Fund of the State of Delaware.
- 3. Within ten (10) days of the execution of this agreement by the Division and AllianceBernstein, AllianceBernstein agrees to send a check drawn on good and sufficient funds, as restitution to and (the "), in the amount of ninety thousand dollars (\$90,000.00) payable to the IRA, with the understanding that this payment is in exchange for the providing a full release of any and all liability of any of the Respondent's alleged actions or inactions alleged in connection with the above-referenced matter.

4. Respondent agrees to CEASE AND DESIST from all future violations of

the Delaware Securities Act, including the violations set forth in Counts I through V of

the Complaint.

5. The Division agrees to conclude its investigation into the conduct

described in the complaint filed in this matter and take no further action against any of

the Respondents in the above-captioned matter, provided that the Respondent complies

fully with the terms of this agreement.

6. AllianceBernstein agrees to waive permanently any right to a hearing or

appeal under the provisions of the Delaware Securities Act with respect to this

agreement.

7. Should the Respondent fail to comply fully with the terms of this

agreement, it shall become null and void, at which point the Division may take whatever

further enforcement action it deems appropriate under the circumstances. Should the

refuse to provide a full release as contemplated by paragraph 3 above,

Respondent shall have the right to declare this agreement null and void.

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Meredith Stewart Tweedie

Deputy Attorney General

Delaware Department of Justice

Carvel State Office Building, 5th floor

820 N. French Street

Wilmington, DE 19801

(302) 577-8382

Dated: May <u>}</u>, 2012

#4825-6014-3887v2

05/1/12

Sean M. Murphy, Esq.

Milbank, Tweed, Hadley & McCloy LLP

1 Chase Manhattan Plaza

New York, NY 10005

(212) 530-5688

Counsel for AllianceBernstein L.P.

Dated: May , 2012