

ALLIANCEBERNSTEIN CORPORATION
CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

I. PURPOSE

The primary purposes of the Audit Committee (the “Committee”) are to (i) assist the Board of Directors of AllianceBernstein Corporation (the “Board”) in its oversight of (1) the integrity of the financial statements of AllianceBernstein L.P. and AllianceBernstein Holding L.P. (the “Partnerships”), (2) the Partnerships’ status and system of compliance with legal and regulatory requirements and business conduct, (3) the independent auditor’s qualification and independence, and (4) the performance of the Partnerships’ internal audit function, and (ii) oversee the appointment, retention, compensation, evaluation and termination of the independent auditor. Consistent with this function, the Committee should encourage continuous improvement of, and should foster adherence to, the Partnerships’ policies, procedures and practices at all levels. With respect to these matters, the Committee will provide an open avenue of communication among the independent auditor, senior management, the Internal Audit Department, and the Board.

The Committee will fulfill these responsibilities primarily by carrying out the activities enumerated in this Charter.

II. COMPOSITION

The Committee shall comprise at least three members:

- Each shall be a director of AllianceBernstein Corporation.
- Each shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Committee. Such independence shall satisfy the requirements of the New York Stock Exchange (“NYSE”) listing standards, the Securities Exchange Act of 1934, as amended, and the Securities and Exchange Commission (“SEC”).
- Each shall be financially literate, as such qualification is interpreted by the Board in its business judgment, or must become financially literate within a reasonable period of time after his or her appointment to the Committee.
- At least one member of the Committee shall be an “audit committee financial expert” in accordance with SEC rules, as the Board interprets such qualification in its business judgment.

- Each shall not simultaneously serve on the audit committee of more than two other public companies, unless the Board determines that such simultaneous service does not impair the ability of such member to effectively serve on the Committee.

The members of the Committee shall be elected by the Board with the assistance of the Corporate Governance Committee. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

III. MEETINGS

The Committee shall have one regularly-scheduled meeting each calendar quarter, and such additional meetings as circumstances dictate. The Committee shall meet periodically in executive sessions, and in separate sessions with management, with the Director of Internal Audit, and with the independent auditor, to discuss any matters that the Committee or each of these groups believes should be discussed privately. Minutes will be taken and copies maintained in the Partnerships' records for each Committee meeting.

IV. RESPONSIBILITIES AND DUTIES

The Committee's role is one of oversight, which it performs primarily by discussing at meetings of the Committee, information, reports, statements, opinions and financial data prepared or presented by the Partnerships' management, counsel, internal and independent auditors and other professionals or experts. The Partnerships' management is responsible for preparing the Partnerships' financial statements and for developing and maintaining systems of internal controls. The Committee also recognizes that management and the internal and independent auditors have more knowledge and information about the Partnerships than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee is not providing any expert or special assurance as to the Partnerships' financial statements or internal controls or any professional certification as to the independent auditor's work.

In carrying out its responsibilities, the Committee's policies and procedures should remain flexible in order to best react to changing conditions and to ensure that the Partnerships' accounting, auditing and reporting practices and the internal control environment of the Partnerships are of the highest quality.

A. General

1. The Committee shall report regularly to the Board significant matters discussed at Audit Committee meetings and any actions taken by written consent without a meeting.
2. The Committee shall discuss the Partnerships' policies and practices with respect to risk assessment and risk management, including discussing with management the major financial risk exposures and the steps taken to monitor and control such exposures.
3. The Committee shall discuss with the Director of Internal Audit and the independent auditor the coordination of audit effort to assure completeness of coverage and the effective use of audit resources.
4. The Committee shall obtain and review quarterly reports from the Director of Internal Audit, the independent auditor, and management. These reports shall cover the activities of the Internal Audit Department and the independent auditor and the results of their reviews, management's financial report for the most recent accounting period and such other matters as members of the Committee may request.
5. The Committee shall discuss this Audit Committee charter annually and recommend amendments to the Board as considered necessary or desirable.
6. The Committee shall annually evaluate its own effectiveness and provide a report of that evaluation for the Board.

B. Financial Reporting and Internal Controls

1. Prior to the filing of the Partnerships' Annual Reports on Form 10-K, the Committee shall discuss with management and the independent auditor the following matters contained therein: the audited financial statements, Management's Discussion and Analysis of Financial Condition and Results of Operations, the disclosure of management's internal control assessment and the independent auditor's attestation thereof required for fiscal years ending after June 15, 2004 by Section 404 of the Sarbanes-Oxley Act of 2002, the CEO and CFO certifications under Section 302 of the Sarbanes-Oxley Act of 2002 and disclosure of fees paid to the independent auditor. The Committee shall discuss with the independent auditor any significant audit problems or difficulties and management's response thereto, including the matters required to be discussed by Statement of Auditing Standards ("SAS") No. 61, as amended. The Committee shall discuss with the independent auditor its report on all critical accounting policies and practices to be used, all alternative treatments within U.S. generally accepted accounting principles ("GAAP") for policies and procedures relating to material items that have been discussed with management, and all other material written communications between the independent auditor and management (such

as any management letter or schedule of unadjusted differences). Based on the discussions noted above, the Committee shall determine whether to recommend to the Board that the Partnerships' audited financial statements be included in the Partnerships' Forms 10-K.

2. Prior to the filing of the Partnerships' Quarterly Reports on Form 10-Q, the Committee shall discuss with management and the independent auditor the interim financial statements, Management's Discussion and Analysis and the CEO and CFO certifications contained therein. The Committee shall discuss with the independent auditor the matters described in SAS No. 100.
3. Prior to the release of earnings, the Committee Chair, and such other members of the Committee who choose to participate, shall discuss with management and the independent auditor the matters described in SAS No. 100.
4. The Committee shall advise management and the independent auditor that they are expected to provide the Committee with a timely analysis of significant issues relating to accounting, financial statement presentation, significant changes to selection and application of accounting principles, special audit steps taken in response to material control deficiencies, use of alternative GAAP methods and off-balance sheet structures and the use of non-GAAP financial measures.
5. The Committee shall discuss with management and the independent auditor the results of the annual financial statement audit, including:
 - a. the qualitative judgments of management and the independent auditor about the appropriateness of accounting principles and financial disclosure practices used or proposed to be adopted by the Partnerships and, particularly, about the reasonableness of the Partnerships' accounting principles and underlying estimates;
 - b. any audit problems, difficulties or disputes encountered by the independent auditor during the course of the audit and management's response; and
 - c. other matters related to the conduct of the audit which are to be communicated to the Committee under Generally Accepted Auditing Standards.
6. The Committee shall discuss with the independent auditor, the Director of Internal Audit, and management the adequacy and effectiveness of the internal controls of the Partnerships, and elicit any recommendations for the improvement of such internal control procedures or particular areas where new or more detailed controls or procedures are desirable.
7. The Committee may discuss with the independent auditor and management such other matters as the Committee deems necessary or appropriate.

C. Independent Auditor Activities

The Committee shall be responsible for the appointment, retention, compensation, evaluation, and termination of the independent auditor, which shall report directly to the Committee. In this regard, the Committee shall:

1. Appoint annually the independent auditor to audit the consolidated financial statements of the Partnerships and their subsidiaries and to perform related work.
2. Meet with the independent auditor, management and the Director of Internal Audit to discuss the scope of the proposed audit for the current year and the audit procedures to be utilized.
3. Obtain at least annually from the independent auditor a report describing the independent auditor's internal quality-control procedures, any material issues raised by the most recent internal quality control review, or peer review, of the independent auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditor, and any steps taken to deal with any such issues.
4. Monitor and evaluate the independence, qualifications and performance of the independent auditor through such activities as it deems appropriate, including the following:
 - a. discussing the nature of and fees paid for audit and non-audit services provided by the independent auditor, categorized by audit fees, audit-related fees, tax fees and all other fees as defined by SEC rules for disclosure in Form 10-K;
 - b. receiving annually from the independent auditor a formal written statement delineating all relationships between the independent auditor and the Partnerships, the Partnerships' subsidiaries, the Partnerships' affiliates and any entity for which a Partnership or subsidiary acts as investment adviser or manager (including without limitation any mutual fund, hedge fund or structured product), and discussing with the independent auditor any disclosed relationships or services that may impact the objectivity and independence of the independent auditor. The statement shall include the identity of key persons on the Partnerships' audit engagement team and the length of time each such person has served on the audit engagement team;

- c. receiving reports regarding compliance with the Non-audit Services Policy in effect from time to time;
 - d. discussing in advance and pre-approving all audit and non-audit service engagements with the independent auditor pursuant to pre-approval policies and procedures established by the Committee. The Committee will consider potential conflicts of interests and/or impairment of independence issues in connection with these engagements. The Committee Chair, acting alone, shall have the authority to approve non-audit services the fees for which do not exceed \$100,000; provided that all such approvals are reported to all members of the Committee no later than the next meeting of the Committee; and
 - e. setting clear hiring policies for employees and former employees of the independent auditor to avoid potential conflicts of interest and/or impairment of independence issues.
5. Resolve any disagreement between the independent auditor and management.

D. Internal Audit Activities

The Director of Internal Audit shall have substantive reporting responsibilities to the Committee and shall be subject to the oversight of a management committee whose members shall include the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer and the Chief Legal Officer. The Committee shall consider and discuss with the Director of Internal Audit such matters as it deems appropriate, including:

- 1. The annual Internal Audit Plan, and the coordination of such plan, where possible, with the independent auditor;
- 2. Quarterly summary reports of internal audits completed and in progress;
- 3. Significant audit comments, recommendations, and conclusions, including management's responses and the status of previous Internal Audit issues and recommendations;
- 4. The Internal Audit Department's organization, responsibilities and budget including adequacy of Internal Audit staffing and other resources; and
- 5. Compliance with the Internal Audit Charter.

E. Codes of Ethics and Conduct

The Committee shall receive such reports as it may request from time to time regarding compliance with the codes of ethics and business conduct (including operating policies and procedures) to which the Partnerships and their employees are subject.

F. Complaint Handling Procedures

The Committee is responsible for establishing procedures for the receipt, retention and treatment of (1) complaints regarding the Partnerships' accounting, internal controls and auditing matters, (2) confidential and anonymous submissions by the Partnerships' employees of concerns regarding questionable accounting or auditing matters, and (3) reports of evidence of material violations of law by attorneys pursuant to Section 307 of the Sarbanes-Oxley Act of 2002.

V. AUTHORITY TO ENGAGE ADVISERS

The Committee has the authority to engage independent counsel and other advisers as the Committee deems necessary to carry out its duties. The Partnerships and AllianceBernstein Corporation shall provide for appropriate funding, as determined by the Committee, for payment of compensation to such counsel and other advisers.