UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2013

OR

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

FOR THE TRANSITION PERIOD FROM TO

Commission file number: 001-35826

Artisan Partners Asset Management Inc.

(Exact name of registrant as specified in its charter)

Delaware	**45-0969585**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
875 E. Wisconsin Avenue, Suite 800 Milwaukee, WI	**53202**
(Address of principal executive offices)	*(Zip Code)*

(414) 390-6100
(Registrant's telephone number, including area code)

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

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

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

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

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

The number of outstanding shares of the registrant's Class A common stock, par value $0.01 per share, Class B common stock, par value $0.01 per share, and Class C common stock, par value $0.01 per share, as of November 6, 2013 were 19,807,436, 25,629,149 and 24,849,294, respectively.

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Except where the context requires otherwise, in this report, references to the "Company", "Artisan", "we", "us" or "our" refer to Artisan Partners Asset Management Inc. ("APAM") and its consolidated subsidiaries, including Artisan Partners Holdings LP ("Artisan Partners Holdings" or "Holdings"). On March 12, 2013, APAM closed its initial public offering and related corporate reorganization. Prior to that date, APAM was a subsidiary of Artisan Partners Holdings. The reorganization and initial public offering are described in the notes to our consolidated financial statements included in Part I of this Form 10-Q.

Forward-Looking Statements

This report contains, and from time to time our management may make, forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. In some cases, you can identify these statements by forward-looking words such as “may”, “might”, “will”, “should”, “expects”, “intends”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue”, the negative of these terms and other comparable terminology. These forward-looking statements, which are subject to risks, uncertainties and assumptions, may include projections of our future financial performance, future expenses, anticipated growth strategies, descriptions of new business initiatives and anticipated trends in our business or financial results. These statements are only predictions based on our current expectations and projections about future events. Among the important factors that could cause actual results, level of activity, performance or achievements to differ materially from those indicated by such forward-looking statements are: fluctuations in quarterly and annual results, adverse economic or market conditions, incurrence of net losses, adverse effects of management focusing on implementation of a growth strategy, failure to develop and maintain the Artisan Partners brand and other factors disclosed under “Risk Factors” in our prospectus dated October 31, 2013, filed with the Securities and Exchange Commission in accordance with Rule 424(b) of the Securities Act of 1933, which is accessible on the SEC's website at www.sec.gov. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Forward-looking statements include, but are not limited to, statements about:

- our anticipated future results of operations;

- our potential operating performance and efficiency;
- our expectations with respect to future levels of assets under management, inflows and outflows;
- our financing plans, cash needs and liquidity position;
- our intention to pay dividends and our expectations about the amount of those dividends;
- our expected levels of compensation of our employees;
- our expectations with respect to future expenses and the level of future expenses;
- our expected tax rate, and our expectations with respect to deferred tax assets; and
- our estimates of future amounts payable pursuant to our tax receivable agreements and the contingent value rights we have issued.

Part I — Financial Information

Item 1. Financial Statements

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Unaudited Condensed Consolidated Statements of Financial Condition
(U.S. dollars in thousands, except per share amounts)

	September 30, 2013	December 31, 2012
ASSETS		
Cash and cash equivalents	$ 275,927	$ 141,159
Cash and cash equivalents of Launch Equity	18,420	10,180
Accounts receivable	59,398	46,022
Accounts receivable of Launch Equity	15,187	10,595
Investment securities	23,649	15,241
Investment securities of Launch Equity	65,341	46,237
Property and equipment, net	8,491	8,807
Deferred tax assets	64,754	—
Prepaid expenses and other assets	10,620	9,319
Total assets	$ 541,787	$ 287,560
LIABILITIES, REDEEMABLE PREFERRED UNITS AND STOCKHOLDERS' EQUITY (DEFICIT)		
Accounts payable, accrued expenses, and other	$ 42,930	$ 50,266
Accrued incentive compensation	83,832	7,254
Borrowings	200,000	290,000
Class B liability awards	—	225,249
Amounts payable under tax receivable agreements	53,975	—
Contingent value rights	15,080	—
Payables of Launch Equity	14,533	10,726
Securities sold, not yet purchased of Launch Equity	35,497	19,586
Total liabilities	$ 445,847	$ 603,081
Commitments and contingencies		
Redeemable preferred units	—	357,194
Common stock		
Class A common stock ($0.01 par value per share, 500,000,000 shares authorized and 14,287,436 outstanding at September 30, 2013)	143	—
Class B common stock ($0.01 par value per share, 200,000,000 shares authorized and 25,629,149 outstanding at September 30, 2013)	256	—
Class C common stock ($0.01 par value per share, 400,000,000 shares authorized and 29,001,959 outstanding at September 30, 2013)	290	—
Convertible preferred stock ($0.01 par value per share, 15,000,000 shares authorized and 2,565,463 outstanding at September 30, 2013)	74,748	—
Additional paid-in capital	(60,305)	—
Retained earnings	8,601	—
Accumulated other comprehensive income (loss)	826	—
Total stockholders’ equity	24,559	—
Noncontrolling interest - Artisan Partners Holdings	22,464	(709,414)
Noncontrolling interest - Launch Equity	48,917	36,699
Total equity (deficit)	95,940	(672,715)
Total liabilities, redeemable preferred units and equity (deficit)	$ 541,787	$ 287,560

The accompanying notes are an integral part of the consolidated financial statements.

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Unaudited Consolidated Statements of Operations
(U.S. dollars in thousands, except per share amounts)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Revenues				
Management fees	$ 178,092	$ 128,044	$ 488,222	$ 368,191
Performance fees	—	39	26	351
Total revenues	$ 178,092	$ 128,083	$ 488,248	$ 368,542
Operating Expenses				
Compensation and benefits				
Salaries, incentive compensation and benefits	79,470	56,401	221,401	165,655
Pre-offering related compensation - share-based awards	23,441	56,023	380,523	85,907
Pre-offering related compensation - other	—	32,065	143,035	53,960
Total compensation and benefits	102,911	144,489	744,959	305,522
Distribution and marketing	10,093	7,216	27,116	21,424
Occupancy	2,609	2,294	7,781	6,809
Communication and technology	3,464	3,456	10,309	9,875
General and administrative	5,655	8,846	17,653	17,258
Total operating expenses	124,732	166,301	807,818	360,888
Total operating income (loss)	53,360	(38,218)	(319,570)	7,654
Non-operating income (loss)				
Interest expense	(2,885)	(2,914)	(8,986)	(8,146)
Net gains of Launch Equity	5,499	6,935	9,068	8,474
Loss on interest rate swap	—	(17)	—	(69)
Loss on debt extinguishment	—	(827)	—	(827)
Net gain on the valuation of contingent value rights	6,940	—	40,360	—
Other non-operating expense	—	(682)	—	(682)
Total non-operating income (loss)	9,554	2,495	40,442	(1,250)
Income (loss) before income taxes	62,914	(35,723)	(279,128)	6,404
Provision for income taxes	6,824	243	17,146	822
Net income (loss) before noncontrolling interests	56,090	(35,966)	(296,274)	5,582
Less: Net income (loss) attributable to noncontrolling interests - Artisan Partners Holdings	44,614	(42,901)	(320,067)	(2,892)
Less: Net income attributable to noncontrolling interests - Launch Equity	5,499	6,935	9,068	8,474
Net income attributable to Artisan Partners Asset Management Inc.	$ 5,977	$ —	$ 14,725	$ —
	July 1, 2013 to September 30, 2013		**March 12, 2013 to September 30, 2013**	
Earnings per share				
Basic	$ 0.42		$ 0.97	
Diluted	$ 0.35		$ 0.90	
Weighted average number of common shares outstanding				
Basic	12,728,949		12,728,949	
Diluted	15,294,412		15,294,412	

The accompanying notes are an integral part of the consolidated financial statements.

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Unaudited Consolidated Statements of Comprehensive Income (Loss)
(U.S. dollars in thousands)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss) before noncontrolling interests	$ 56,090	$ (35,966)	$ (296,274)	$ 5,582
Other comprehensive income (loss), net of tax				
Unrealized gains on investment securities:				
Unrealized holding gains on investment securities, net of tax of $406, $0, $453 and $0, respectively	1,004	1,233	2,955	2,471
Less: reclassification adjustment for gains (losses) included in net income	—	—	—	—
Net unrealized gains on investment securities	1,004	1,233	2,955	2,471
Foreign currency translation gain	371	87	53	116
Total other comprehensive income	1,375	1,320	3,008	2,587
Comprehensive income (loss)	57,465	(34,646)	(293,266)	8,169
Comprehensive income (loss) attributable to noncontrolling interests - Artisan Partners Holdings	45,250	(41,581)	(317,885)	(305)
Comprehensive income attributable to noncontrolling interests - Launch Equity	5,499	6,935	9,068	8,474
Comprehensive income attributable to Artisan Partners Asset Management Inc.	$ 6,716	$ —	$ 15,551	$ —

The accompanying notes are an integral part of the consolidated financial statements.

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Unaudited Consolidated Statements of Changes in Stockholders' Equity
(U.S. dollars in thousands)

	Common Stock	Convertible Preferred Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Noncontrolling interest - Artisan Partners Holdings	Noncontrolling interest - Launch Equity	Total Equity (Deficit)	Redeemable Preferred Units
Balance at December 31, 2012	$ —	$ —	$ —	$ —	$ —	$ (709,414)	$ 36,699	$ (672,715)	$ 357,194
Net income (loss)	—	—	—	—	—	(434,342)	—	(434,342)	—
Other comprehensive income	—	—	—	—	—	1,065	—	1,065	—
Partnership distributions	—	—	—	—	—	(100,514)	—	(100,514)	—
Modification of equity award and other pre-offering related compensation	—	—	—	—	—	572,471	—	572,471	—
Modification of redeemable preferred units	—	—	—	—	—	357,194	—	357,194	(357,194)
Initial establishment of contingent value right liability	—	—	—	—	—	(55,440)	—	(55,440)	—
Capital redemption	—	—	—	—	—	(16)	—	(16)	—
Balance at March 12, 2013	$ —	$ —	$ —	$ —	$ —	$ (368,996)	$ 36,699	$ (332,297)	$ —
IPO proceeds	—	—	—	—	—	353,414	—	353,414	—
Attribution of noncontrolling interest	674	74,748	(58,365)	—	662	(17,719)	—	—	—
Redemption of partnership units	—	—	—	—	—	(76,319)	—	(76,319)	—
Establishment of deferred tax assets, net of amounts payable under tax receivable agreements	—	—	18,487	—	—	—	—	18,487	—
Net income (loss)	—	—	—	14,725	—	114,275	9,068	138,068	—
Other comprehensive income, net of tax	—	—	—	—	383	1,848	—	2,231	—
Cumulative impact of changes in ownership of Artisan Partners Holdings LP, net of tax	—	—	(33,247)		(219)	33,178	—	(288)	—
Capital contribution	—	—	—	—	—	—	3,150	3,150	—
Amortization of equity-based compensation	—	—	12,835	—	—	42,352	—	55,187	—
Forfeitures	(1)	—	1	—	—	—	—	—	—
Issuance of restricted stock awards	16	—	(16)	—	—	—	—	—	—
Distributions	—	—	—	—	—	(59,569)	—	(59,569)	—
Dividends	—	—	—	(6,124)	—	—	—	(6,124)	—
Balance at September 30, 2013	$ 689	$ 74,748	$ (60,305)	$ 8,601	$ 826	$ 22,464	$ 48,917	$ 95,940	$ —

The accompanying notes are an integral part of the consolidated financial statements.

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Unaudited Consolidated Statements of Cash Flows
(U.S. dollars in thousands)

	For the Nine Months Ended September 30,	
	2013	**2012**
Cash flows from operating activities		
Net income (loss) before noncontrolling interests	$ (296,274)	$ 5,582
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,284	1,644
Deferred income taxes	7,255	—
Net gain on the valuation of contingent value rights	(40,360)	—
(Gains) losses of Launch Equity, net	(9,068)	(8,474)
Proceeds from sale of investments by Launch Equity	113,951	34,163
Purchase of investments by Launch Equity	(108,416)	(33,137)
Loss on disposal of property and equipment	6	3
Loss on interest rate swap	—	69
Loss on debt extinguishment	—	827
Amortization of debt issuance costs	336	519
Share-based compensation	627,657	—
Change in assets and liabilities resulting in an increase (decrease) in cash:		
Net change in operating assets and liabilities of Launch Equity	(8,685)	(5,631)
Accounts receivable	(13,376)	(6,733)
Prepaid expenses and other assets	(1,592)	(209)
Accounts payable and accrued expenses	71,888	62,920
Class B liability awards	(227,793)	86,155
Deferred lease obligations	(55)	658
Net cash provided by operating activities	117,758	138,356
Cash flows from investing activities		
Acquisition of property and equipment	(1,466)	(1,744)
Leasehold improvements	(500)	(766)
Purchase of investment securities	(5,000)	—
Change in restricted cash	—	(145)
Net cash used in investing activities	(6,966)	(2,655)
Cash flows from financing activities		
Partnership distributions	(160,098)	(72,930)
Dividends paid	(6,124)	—
Interest rate swap	—	(1,135)
Change in other liabilities	(47)	87
Payment of debt issuance costs	—	(2,573)
Proceeds from draw on revolving credit facility	—	90,000
Proceeds from issuance of notes payable	—	200,000
Principal payments on note payable	—	(324,789)
Repayment under revolving credit facility	(90,000)	—
Net proceeds from issuance of common stock	356,579	—
Payment of costs directly associated with the issuance of Class A common stock	(3,165)	—
Purchase of Class A common units	(76,319)	—

Capital invested into Launch Equity	3,150	5,000
Capital distributed by Launch Equity	—	(285)
Net cash provided by (used in) financing activities	23,976	(106,625)
Net increase (decrease) in cash and cash equivalents	134,768	29,076
Cash and cash equivalents		
Beginning of period	141,159	126,956
End of period	**$ 275,927**	**$ 156,032**
Supplementary information		
Noncash activity:		
Issuance of preferred stock	$ 74,748	$ —
Initial establishment of deferred tax assets	70,862	—
Initial establishment of amounts payable under tax receivable agreements	53,449	—
Initial establishment of contingent value rights	55,440	—

The accompanying notes are an integral part of the consolidated financial statements.

ARTISAN PARTNERS ASSET MANAGEMENT INC.
Notes to Unaudited Consolidated Financial Statements
(U.S. currencies in thousands, except per share or per unit amounts and as otherwise indicated)

Note 1. Organization and nature of business

Organization

On March 12, 2013, Artisan Partners Asset Management Inc. ("APAM") completed an initial public offering of 12,712,279 Class A common shares (the "IPO"). APAM was formed in 2011 as a subsidiary of Artisan Partners Holdings LP ("Artisan Partners Holdings" or "Holdings"). APAM was formed for the purpose of becoming the general partner of Holdings in connection with the IPO. The reorganization established the necessary corporate structure to complete the IPO while at the same time preserving the ability of the firm to conduct operations through Holdings and its subsidiaries. See Note 2, "Reorganization and IPO" for more information on the reorganization and IPO".

As part of the reorganization, APAM became the sole general partner of Holdings. As the sole general partner, APAM controls the business and affairs of Holdings. As a result, APAM consolidates Holdings' financial statements and records a noncontrolling interest for the economic interests in Holdings held by the limited partners of Holdings. At September 30, 2013, APAM's total economic interest in Holdings approximated 24% of Holdings' economics.

Artisan Partners Asset Management has been allocated a part of Artisan Partners Holdings' net income since March 12, 2013, when it became Artisan Partners Holdings' general partner.

On November 6, 2013, APAM completed an offering of 5,520,000 shares of Class A common stock and utilized all of the net proceeds to purchase from private equity funds controlled by Hellman & Friedman LLC, 4,152,665 preferred units of Artisan Partners Holdings ("Holdings"), our direct subsidiary, and 1,367,335 shares of our convertible preferred stock. Because the offering occurred subsequent to September 30, 2013, the impact of the offering, including the cancellation of the CVRs in connection with the offering, is not reflected in APAM's September 30, 2013 consolidated financial statements. See Note 16, "Subsequent Events".

Nature of Business

Artisan is an investment management firm focused on providing high-value added, active investment strategies to sophisticated clients globally. Artisan's operations are conducted through Artisan Partners Holdings and its subsidiaries.

Artisan has five autonomous investment teams that oversee thirteen distinct U.S., non-U.S. and global investment strategies.

Each strategy is offered through multiple investment vehicles to accommodate a broad range of client mandates. Artisan offers its investment management services primarily to institutions and through intermediaries that operate with institutional-like decision-making processes and have long-term investment horizons.

Note 2. Reorganization and IPO

Reorganization

In connection with the IPO, APAM and Holdings entered into a series of transactions in order to reorganize their capital structures and complete the IPO. The reorganization transactions included, among others, the following:

- Appointment of APAM as the sole general partner of Holdings.
- Modification of APAM's capital structure into three classes of common stock and a series of convertible preferred stock. Shares of Class B common stock, Class C common stock and convertible preferred stock were issued to pre-IPO partners of Holdings. A description of these shares is included in Note 10, "Stockholders' Equity".
- Merger (the "H&F Corp Merger") into APAM of a corporation ("H&F Corp") that at the time of the merger was a holder of preferred units and contingent value rights ("Partnership CVRs") issued by Holdings and Class C common stock of APAM. As consideration for the merger, the shareholder of H&F Corp received shares of APAM's convertible preferred stock, contingent value rights ("APAM CVRs") issued by APAM, and the right to receive an amount of cash equal to H&F Corp's share of the post-IPO distribution of Holdings pre-IPO retained profits.
- Entry by APAM into two tax receivable agreements ("TRAs"), one with the pre-merger shareholder of H&F Corp and the other with each limited partner of Holdings. Pursuant to the first TRA, APAM will pay to the counterparty a portion of certain tax benefits realized by APAM as a result of the H&F Corp Merger. Pursuant to the second TRA, APAM will pay to the counterparties a portion of certain tax benefits realized by APAM as a result of the purchase of Class A common units in connection with the IPO and future redemptions or exchanges of limited partner units of Holdings for APAM Class A common stock. The TRAs are further described in Note 3, "Summary of Significant Accounting Policies - Tax Receivable Agreements".

Because APAM and Holdings were under common control at the time of the reorganization, APAM's acquisition of control of Holdings was accounted for as a transaction among entities under common control. The consolidated financial statements of APAM reflect the following:

- Statements of Financial Condition - The assets, liabilities and equity of Holdings and of APAM have been carried forward at their historical carrying values. The historical partners' deficit of Holdings is reflected as a noncontrolling interest.

- Statements of Operations, Comprehensive Income and Cash Flows - The historical consolidated statements of Holdings have been consolidated with the statements of operations, comprehensive income and cash flows of APAM.

Modification of Artisan Partners Holdings' Units

As part of the reorganization, the limited partner units of Holdings were modified. In addition to modification of the voting and other rights with respect to each class of units, the following modifications were made to the Class B common units and the preferred units:

- The Class B common units of Holdings, which are held by employee-partners, were modified to eliminate a cash redemption feature. Prior to the reorganization, the terms of the Class B unit award agreements required Holdings to redeem the units from a holder whose employment by Artisan had been terminated. As a result of the redemption feature, Artisan was required to account for the Class B units as liability awards. At the time of the IPO, the amount of the liability was increased to $552.0 million to reflect the value implied by the IPO valuation. Thereafter, as a result of the elimination of the redemption feature, Artisan reclassified the entire liability to equity. Any Class B awards that were unvested at the time of the reorganization will be reflected as "Pre-offering related compensation - share-based awards" over the remaining vesting period (see Note 11, "Compensation and Benefits").

- The preferred units of Holdings were modified to eliminate the associated put right. In exchange for the elimination of the put right, Holdings issued Partnership CVRs to the holders of the preferred units. The CVRs were classified as liabilities and the preferred units were reclassified to permanent equity after the modification. As discussed above, in conjunction with the H&F Corp Merger, Artisan Partners Asset Management received the modified preferred units and partnership CVRs and issued to the H&F holders convertible preferred stock and APAM CVRs. For each outstanding APAM CVR, APAM was issued one Partnership CVR. The convertible preferred stock and APAM CVRs issued are recorded at the carryover basis of the preferred units and Partnership CVRs originally held by the H&F holders. On November 6, 2013, all of the CVRs were terminated without any payment by us.

IPO and Use of Proceeds

The net proceeds from the IPO were $353.4 million. In connection with the IPO, Artisan used cash on hand to make cash incentive payments aggregating $56.8 million to certain of its portfolio managers. Artisan used a portion of the IPO net proceeds, combined with remaining cash on hand, for the following:

Retained profits distributions to pre-IPO partners	$	105,301
Repayment of principal amounts under the revolving credit agreement (see Note 6, "Borrowings")		90,000
Purchase of 2,720,823 Class A common units from certain investors		76,319
Total	$	271,620

Artisan is using the remaining proceeds for general corporate purposes.

Note 3. Summary of Significant Accounting Policies

Basis of presentation

The accompanying financial statements are unaudited. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of such consolidated financial statements have been included. Such interim results are not necessarily indicative of full year results. The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial reporting and accordingly they do not include all of the information and footnotes required in the annual consolidated financial statements and accompanying footnotes. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by U.S. GAAP. The consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2012 of APAM included in APAM's prospectus dated October 31, 2013, filed with the SEC in accordance with Rule 424(b) of the Securities Act of 1933 on November 1, 2013, which is accessible on the SEC's website at www.sec.gov.

The accompanying financial statements were prepared in accordance with U.S. GAAP and related rules and regulations of the SEC. The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates or assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates or assumptions.

Principles of consolidation

Artisan's policy is to consolidate all subsidiaries in which it has a controlling financial interest and variable interest entities ("VIEs") of which Artisan is deemed to be the primary beneficiary. The primary beneficiary is deemed to be the entity that has the power to govern the financial and operating policies of the subsidiary so as to obtain benefits from its activities. The Consolidated Financial Statements include the accounts of APAM, all subsidiaries in which APAM has a direct or indirect controlling financial interest and VIEs of which Artisan is deemed to be the primary beneficiary. All material intercompany balances have been eliminated in consolidation.

At September 30, 2013 and December 31, 2012, Artisan's wholly-owned subsidiary, Artisan Partners Alternative Investments GP LLC, was the general partner of Artisan Partners Launch Equity LP ("Launch Equity"), a private investment partnership that is considered a VIE. Launch Equity is considered an investment company and therefore accounted for under Accounting Standard Codification Topic 946, "Financial Services – Investment Companies". Artisan has retained the specialized industry accounting principles of this investment company in its Consolidated Financial Statements. See Note 9, "Variable and Voting Interest Entities" for additional details.

Tax Receivable Agreements ("TRAs")

In connection with the IPO, APAM entered into two tax receivable agreements. Under the first TRA, APAM generally is required to pay to the holders of convertible preferred stock issued as consideration for the H&F Corp Merger (or Class A common stock issued upon conversion of that convertible preferred stock) 85% of the applicable cash savings, if any, in U.S. federal and state income tax that APAM actually realizes (or is deemed to realize in certain circumstances) as a result of (i) the tax attributes of the preferred units APAM acquired in the merger, (ii) net operating losses available as a result of the merger and (iii) tax benefits related to imputed interest.

Under the second TRA, APAM generally is required to pay to the holders of limited partnership units of Holdings (or Class A common stock or convertible preferred stock issued upon exchange of limited partnership units) 85% of the applicable cash savings, if any, in U.S. federal and state income tax that APAM actually realizes (or is deemed to realize in certain circumstances) as a result of (i) certain tax attributes of their units sold to APAM or exchanged (for shares of Class A common stock or convertible preferred stock) and that are created as a result of the sales or exchanges and payments under the TRAs and (ii) tax benefits related to imputed interest. Under both agreements, APAM generally will retain the benefit of the remaining 15% of the applicable tax savings.

For purposes of the TRAs, cash savings in tax are calculated by comparing APAM's actual income tax liability to the amount it would have been required to pay had it not been able to utilize any of the tax benefits subject to the TRAs, unless certain assumptions apply. The TRAs will continue in effect until all such tax benefits have been utilized or expired, unless APAM exercises its right to terminate the agreements or payments under the agreements are accelerated in the event that APAM materially breaches any of its material obligations under the agreements. The actual increase in tax basis, as well as the amount and timing of any payments under these agreements, will vary depending upon a number of factors, including the timing of exchanges by the holders of limited partnership units, the price of the Class A common stock or the value of the convertible preferred stock, as the case may be, at the time of the exchange, whether such exchanges are taxable, the amount and timing of the taxable income APAM generates in the future and the tax rate then applicable and the portion of APAM's payments under the TRAs constituting imputed interest.

Payments under the TRAs, if any, will be made pro rata among all TRA counterparties entitled to payments on an annual basis to the extent APAM has sufficient taxable income to utilize the increased depreciation and amortization charges. We expect to make payments under the TRAs, to the extent they are required, within 125 days after APAM's federal income tax return is filed for each fiscal year. Interest on such payments will begin to accrue at a rate equal to one-year LIBOR plus 100 basis points from the due date (without extension) of such tax return.

Comprehensive income (loss)

Total comprehensive income (loss) includes net income and other comprehensive income. Other comprehensive income (loss) consists of the change in unrealized gains (losses) on available-for-sale investments and foreign currency translation, net of related tax effects. The tax effects of components of other comprehensive income (loss) is calculated on the portion of comprehensive income (loss) attributable to APAM.

Accumulated Other Comprehensive Income (Loss), net of tax, in the accompanying Unaudited Condensed Consolidated Statements of Financial Condition represents the portion of accumulated other comprehensive income attributable to APAM, and consists of the following:

	As of September 30, 2013	As of December 31, 2012
Unrealized gain on investments	$ 800	$ —
Foreign currency translation	26	—
Accumulated Other Comprehensive Income (Loss)	$ 826	$ —

Comprehensive income (loss) attributable to noncontrolling interests - Artisan Partners Holdings on the Unaudited Consolidated Statements of Comprehensive Income (Loss) represents the portion of comprehensive income (loss) attributable to the economic interests in Holdings held by the limited partners of Holdings. For periods prior to the IPO, all comprehensive income (loss) is entirely attributable to noncontrolling interests.

Recent accounting pronouncements

In December 2011, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2011-11, *Disclosures about Offsetting Assets and Liabilities*. The ASU requires an entity to disclose information about offsetting and related arrangements for financial and derivative instruments to provide information on the effect of those arrangements on its financial position. In January 2013, the FASB also issued ASU 2013-01, *Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities*. This ASU clarifies the scope of ASU 2011-11 to specify the disclosures apply to derivatives accounted for in accordance with ASC Topic 815, *Derivatives and Hedging*, including bifurcated embedded derivatives, repurchase agreements and reverse repurchase agreements, and securities borrowing and securities lending transactions that are either offset in accordance with ASC 210-20-45 or ASC 815-10-45 or subject to an enforceable master netting arrangement or similar agreement. These amendments are effective for annual reporting periods beginning on or after January 1, 2013, and interim periods within those annual periods. The adoption of ASU 2011-11 and ASU 2013-01 did not have an impact on our financial statements.

In February 2013, the FASB issued ASU 2013-02, *Reporting of Amounts Reclassified Out of Accumulated Other Comprehensive Income*. The ASU requires an entity to provide information about the amounts reclassified out of accumulated other comprehensive income by component. The ASU also requires presentation, either on the face of the statement where net income is presented or in the notes to the financial statements, significant amounts reclassified out of accumulated other comprehensive income by the respective line items of net income. However, such disclosure is only required if the amount reclassified is required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period. For other amounts that are not required to be reclassified in their entirety to net income, an entity should cross-reference to other disclosures that provide additional detail about those amounts. For public entities, the ASU is effective prospectively for reporting periods beginning after December 15, 2012. The adoption of ASU 2013-02 did not have an impact on our financial statements.

In March 2013, the FASB issued ASU 2013-05, *Parent's Accounting for the Cumulative Translation Adjustment upon Derecognition of Certain Subsidiaries or Groups of Assets within a Foreign Entity or of an Investment in a Foreign Entity*. The ASU clarifies the interaction between ASC 810-10, *Consolidation—Overall*, and ASC 830-30, *Foreign Currency Matters—Translation of Financial Statements*, when releasing the cumulative translation adjustment into net income when a parent either sells a part or all of its investment in a foreign entity or no longer holds a controlling financial interest in a subsidiary or group of assets that is a nonprofit activity or a business (other than a sale of in substance real estate or conveyance of oil and gas mineral rights) within a foreign entity. The ASU is effective prospectively for fiscal years, and interim periods within those years, beginning after December 15, 2013. We do not currently expect the adoption of this ASU to have an impact on our financial statements.

In June 2013, the FASB issued ASU 2013-08, *Investment Companies (Topic 946)*. The ASU changes the approach to the investment company assessment in Topic 946, clarifying the characteristics of an investment company and provides comprehensive guidance for assessing whether an entity is an investment company. This update would also require an investment company to measure noncontrolling ownership interests in other investment companies at fair value rather than using the equity method of accounting and to include additional disclosures. The ASU is effective for reporting periods beginning after December 15, 2013. We are currently evaluating the impact of this ASU on Launch Equity for 2014.

Note 4. Investment Securities

The disclosures below include details of Artisan's investments. Investments held by Launch Equity are described in Note 9, "Variable and Voting Interest Entities".

	Cost	Unrealized Gains	Unrealized Losses	Fair Value
At September 30, 2013				
Equity mutual funds	$ 18,335	$ 5,314	$ —	$ 23,649
At December 31, 2012				
Equity mutual funds	$ 13,335	$ 1,906	$ —	$ 15,241

Artisan's investments in equity mutual funds consist of investments in shares of Artisan Partners Funds, Inc. and Artisan Partners Global Funds plc and are considered to be available-for-sale securities. As a result, unrealized gains (losses) are recorded to Accumulated other comprehensive income (loss).

As of September 30, 2013 and December 31, 2012, Artisan held no available-for-sale securities in an unrealized loss position.

Note 5. Fair Value Measurements

The table below presents information about Artisan's assets and liabilities that are measured at fair value and the valuation techniques we utilized to determine such fair value. The fair value of financial instruments held by Launch Equity is presented in Note 9, "Variable and Voting Interest Entities". The fair value of the Company's borrowings is presented in Note 6, "Borrowings". In accordance with ASC 820, fair value is defined as the price that Artisan would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The following three-tier fair value hierarchy prioritizes the inputs used in measuring fair value:

- Level 1 – Observable inputs such as quoted (unadjusted) market prices in active markets for identical securities.
- Level 2 – Other significant observable inputs (including but not limited to quoted prices for similar instruments, interest rates, prepayment speeds, credit risk, etc.).
- Level 3—Significant unobservable inputs (including Artisan's own assumptions in determining fair value).

The following provides the hierarchy of inputs used to derive fair value of Artisan's assets and liabilities that are financial instruments as of September 30, 2013 and December 31, 2012:

	Assets and Liabilities at Fair Value			
	Total	Level 1	Level 2	Level 3
September 30, 2013				
Assets				
Cash and cash equivalents	$ 275,927	$ 275,927	$ —	$ —
Equity mutual funds	23,649	23,649	—	—
Liabilities				
Contingent value rights	15,080	—	—	15,080
December 31, 2012				
Assets				
Cash and cash equivalents	$ 141,159	$ 141,159	$ —	$ —
Equity mutual funds	15,241	15,241	—	—

Fair values determined based on Level 1 inputs utilize quoted market prices for identical assets. Our Level 1 assets generally consist of marketable open-end mutual funds or UCITS. Our only Level 3 liabilities are the CVRs, which are discussed below. There were no Level 3 assets or liabilities as of December 31, 2012.

Our policy is to recognize transfers in and transfers out of the valuation levels as of the beginning of the reporting period. There were no transfers between Level 1, Level 2 or Level 3 securities during the three and nine months ended September 30, 2013 and 2012.

Contingent Value Rights ("CVRs")

As part of the IPO-related reorganization, Holdings issued Partnership CVRs and APAM issued APAM CVRs in order to provide holders of Holdings preferred units and APAM convertible preferred stock with economic rights following the reorganization and IPO that, collectively, are similar (although not identical) to the economic rights they possessed with respect to Holdings prior to the reorganization and IPO. APAM was issued one Partnership CVR for each outstanding APAM CVR. The holders of the preferred units and convertible preferred stock did not pay any cash consideration for the CVRs. The CVRs are classified as liabilities and are accounted for under ASC 815 as derivatives.

The CVRs may require Artisan to make a cash payment to the holders thereof on July 11, 2016, or, if earlier, five business days after the effective date of a change in control of Artisan. The amount of any required payment will depend on the average of the daily volume weighted average price, or VWAP, of APAM Class A common stock over the 60 consecutive trading days prior to July 3, 2016 or the effective date of an earlier change of control and any proceeds realized by the CVR holders with respect to their equity interest in Artisan, subject to a maximum aggregate payment of $100.0 million for all CVRs. The CVRs will be terminated without a payment if the average of the daily VWAP of APAM Class A common stock over any period of 60 consecutive trading days, beginning no earlier than June 12, 2014, is at least $43.11 divided by the then-applicable conversion rate applicable to the convertible preferred stock.

Because the CVRs are not traded and therefore there is no market price for them, the fair value of the CVR liability is determined using a Monte Carlo pricing model. Monte Carlo simulation is often used to value complex derivative instruments by simulating various path-dependent conditions. The observable and unobservable assumptions used in the pricing model are included in the table below. Artisan's nonperformance or credit risk is embodied within the Monte Carlo pricing model through the discount rate assumption. For the three and nine months ended September 30, 2013, there were no changes in credit risk that would have an adverse impact on the CVR valuation. The development and determination of the unobservable inputs for Level 3 fair value measurements and fair value calculations are the responsibility of Artisan's management.

Significant unobservable inputs include expected stock prices, expected volatility, dividend yield rate, and discount rate. Significant increases in the expected stock prices, discount rate and expected volatility would result in a significantly lower fair value measurement. Significant increases in the dividend yield rate would result in a significantly higher fair value measurement.

	September 30, 2013
Observable assumptions:	
Price per share of Class A common stock	$ 52.36
Remaining term of CVRs	2.78 years
Unobservable assumptions:	
Expected price volatility of Class A common stock	33.00%
Dividend yield rate	4.40%
Discount rate	5.00%

The unobservable assumptions were derived as follows:

- Expected price volatility of Class A common stock - based on the average historical 2.78-year volatility of a peer group of public companies selected by management.
- Dividend yield rate - based on management's assumptions of future dividends on Class A common stock and the price per share of Class A common stock.
- Discount rate - based on the average of Artisan's borrowing rate and similar rates observed among a peer group of public companies selected by management.

As of September 30, 2013, a fair value of $15.1 million has been recorded as a liability for the CVRs. For the three and nine months ended September 30, 2013, gains of $6.9 million and $40.3 million, respectively, were recorded in other non-operating gains (losses) to reflect a decrease in the estimated fair value of the CVR liability.

The following table is a reconciliation of the beginning and ending balance of the liabilities measured at fair value using significant unobservable inputs (Level 3) as of September 30, 2013:

Balance at December 31, 2012	$ —
Issuance of contingent value rights	55,440
(Gains) losses included in earnings	(40,360)
Balance at September 30, 2013	$ 15,080

Note 6. Borrowings

Artisan's borrowings consist of the following:

		September 30, 2013		December 31, 2012	
	Maturity	Outstanding Balance	Interest Rate Per Annum	Outstanding Balance	Interest Rate Per Annum
Revolving credit agreement	August 2017	—	NA	90,000	1.96% [1]
Senior notes					
Series A	August 2017	60,000	4.98%	60,000	4.98%
Series B	August 2019	50,000	5.32%	50,000	5.32%
Series C	August 2022	90,000	5.82%	90,000	5.82%
Total borrowings		$ 200,000		$ 290,000	

[1] Interest rate under revolving credit agreement represents LIBOR plus the applicable margin as of December 31, 2012.

The fair value of borrowings was approximately $197.4 million as of September 30, 2013. Fair value was determined based on future cash flows, discounted to present value using current market interest rates. The inputs are categorized as Level 2 in the fair value hierarchy, as defined in Note 5, "Fair Value Measurements".

Term Loan - On July 3, 2006, Holdings entered into an unsecured five-year term loan agreement with a syndicate of lenders (the "Term Loan") in the principal amount of $400.0 million. In November 2010, the Term Loan agreement was amended and the aggregate outstanding principal amount was reduced to $380.0 million. The maturity date of the loan was extended to July 1, 2013, for $363.0 million of the loan outstanding. The remaining $17.0 million of the loan matured on July 1, 2011. The amended Term Loan generally bore interest at a rate equal to, at our election, (i) LIBOR plus an applicable margin depending on Holdings' leverage ratio (as defined in the Term Loan agreement) or (ii) an alternate base rate plus an applicable margin depending on Holdings' leverage ratio.

On August 16, 2012, Holdings issued $200.0 million in senior unsecured notes and entered into a $100.0 million five-year revolving credit agreement and repaid all of the then-outstanding principal under the Term Loan.

Revolving credit agreement - Any loans outstanding under the revolving credit agreement bear interest at a rate equal to, at our election, (i) LIBOR adjusted by a statutory reserve percentage plus an applicable margin ranging from 1.50% to 3.00%, depending on Holdings' leverage ratio (as defined in the revolving credit agreement) or (ii) an alternate base rate equal to the highest of (a) prime rate plus 0.50%, (b) the federal funds effective rate plus 0.50%, and (c) the daily one-month LIBOR adjusted by a statutory reserve percentage plus 1.00%, plus, in each case, an applicable margin ranging from 0.50% to 2.00%, depending on Holdings' leverage ratio. Unused commitments under the revolving credit agreement bear interest at a rate that ranges from 0.175% to 0.625%, depending on Holdings' leverage ratio.

In connection with the closing of the IPO, we paid all of the then-outstanding principal amount of loans under the revolving credit agreement. As of September 30, 2013, there were no borrowings outstanding under the revolving credit agreement and the interest rate on the unused commitment was 0.175%.

Senior notes - The fixed interest rate on each series of unsecured notes is subject to a 1.00% increase in the event Holdings receives a below-investment grade rating and any such increase will continue to apply until an investment grade rating is received. The unsecured notes and the revolving credit agreement contain certain restrictive financial covenants including a limitation on the leverage ratio of Holdings and a minimum interest coverage ratio.

Interest expense incurred on the term loan, unsecured notes and revolving credit agreement was $2.8 million and $2.6 million for the three months ended September 30, 2013 and 2012, respectively, and $8.6 million and $6.9 million for the nine months ended September 30, 2013 and 2012, respectively.

As of September 30, 2013, the aggregate maturities of debt obligations, based on their contractual terms, are as follows:

2013	$ —
2014	—
2015	—
2016	—
Thereafter	200,000
	$ 200,000

Note 7. Derivative Instruments

Prior to August 16, 2012, Holdings was a party to a forward starting interest rate swap with a counterparty that had a total notional value of $200 million upon issuance, a start date of July 1, 2011, and a final maturity date of July 1, 2013. Holdings entered into that agreement on November 22, 2010. The counter-party under this forward starting interest rate swap contract paid Holdings variable interest at the three-month LIBOR rate, and Holdings paid the counterparty a fixed interest rate of 1.04%. This forward starting interest rate swap effectively converted the amended Term Loan into fixed rate debt to the extent of the notional value of the swap contract, in order to manage interest rate risk on the amended Term Loan. On December 14, 2011, Holdings discontinued the hedge accounting treatment of the swap because the hedged forecasted transaction was no longer probable of occurring. All prospective fair value changes of the derivative were recognized in earnings. On August 16, 2012, Holdings terminated the swap in connection with the repayment of the entire then-outstanding principal amount of the Term Loan and made a required final swap settlement payment of $1.1 million. Net interest expense incurred on the interest rate swap was $0.2 million and $0.7 million for the three and nine months ended September 30, 2012, respectively.

See Note 5, "Fair Value Measurements" for information regarding the contingent value rights.

The following tables present gains (losses) recognized on derivative instruments for the three and nine months ended September 30, 2013 and 2012:

		Three months ended September 30,			
		2013		2012	
	Income Statement Classification	Gains	Losses	Gains	Losses
Contingent value rights	Net gain on the valuation of contingent value rights	$ 6,940	$ —	$ —	$ —
Interest rate swap	Loss on interest rate swap	—	—	—	(17)
Total		$ 6,940	$ —	$ —	$ (17)

		Nine months ended September 30,			
		2013		2012	
	Income Statement Classification	Gains	Losses	Gains	Losses
Contingent value rights	Net gain on the valuation of contingent value rights	$ 40,360	$ —	$ —	$ —
Interest rate swap	Loss on interest rate swap	—	—	—	(69)
Total		$ 40,360	$ —	$ —	$ (69)

Note 8. Noncontrolling interest - Holdings

Holdings is the predecessor of APAM for accounting purposes, and its consolidated financial statements are our historical financial statements for periods prior to March 12, 2013, the date on which APAM became the general partner of Holdings. As of September 30, 2013, APAM held approximately 24% of the economic interests in Holdings. "Net income (loss) attributable to noncontrolling interests - Artisan Partners Holdings" on the Unaudited Consolidated Statements of Operations represents the portion of earnings or loss attributable to the economic interests in Holdings held by the limited partners of Holdings. All income for the period prior to March 12, 2013, is entirely attributable to noncontrolling interests.

During the three months ended September 30, 2013, APAM's ownership interest in Holdings increased due to (i) the issuance of 1,575,157 Holdings' GP units corresponding to 1,575,157 restricted shares of Class A common stock issued by APAM during the period and (ii) the forfeiture of 42,055 Holdings' LP units as a result of the termination of employment of employee-partners. Since APAM continues to have a controlling interest in Holdings, changes in ownership of Holdings are accounted for as equity transactions. "Additional paid-in capital" and "Noncontrolling interest - Artisan Partners Holdings" on the Unaudited Condensed Consolidated Statements of Financial Condition are adjusted to reallocate Holdings' historical equity to reflect the change in APAM's ownership of Holdings.

As a result of the change in ownership, a deficit of $33.2 million was transferred to additional paid-in capital from noncontrolling interests in Artisan Partners Holdings. Additionally, accumulated other comprehensive income is adjusted to reflect the change in ownership interest through a $0.1 million reduction to noncontrolling interest and a $0.1 million increase to accumulated other comprehensive income. The increased ownership level also resulted in a $0.3 million decrease in deferred tax assets and accumulated other comprehensive income. The impact of the change in APAM's ownership interests in Holdings is reflected in "Cumulative impact of changes in ownership of Artisan Partners Holdings LP, net of tax" in the Unaudited Consolidated Statement of Changes in Stockholders' Equity.

Note 9. Variable and Voting Interest Entities

Artisan Funds and Artisan Global Funds

We serve as the investment adviser for Artisan Partners Funds, Inc. ("Artisan Funds"), a family of mutual funds registered with the SEC under the Investment Company Act of 1940, and Artisan Partners Global Funds plc ("Artisan Global Funds"), a family of Ireland-based UCITS. Artisan Funds and Artisan Global Funds are corporate entities the business and affairs of which are managed by their respective boards of directors. The shareholders of the funds retain all voting rights, including the right to elect and reelect members of their respective boards of directors. As a result, each of these entities is a voting interest entity ("VOE"). While we hold, in limited cases, direct investments in a fund (which are made on the same terms as are available to other investors and do not represent a majority voting interest in any fund), we do not have a controlling financial interest or a majority voting interest and, as such, we do not consolidate these entities.

Artisan Partners Launch Equity LP

We serve as the investment adviser for Launch Equity, a private investment partnership which seeks to achieve returns primarily through capital appreciation, while also mitigating market risk through the use of hedging strategies. We receive management fees as compensation for services provided as the investment adviser. We also maintain, through Artisan Partners Alternative Investments GP LLC, a direct equity investment in the fund and receive an allocation of profits based upon Launch Equity's net capital appreciation during a fiscal year. Each of these represents a variable interest in the fund.

The limited partners of Launch Equity are certain of our employees and are considered related parties to us. We have determined that Launch Equity is a variable interest entity ("VIE") as (a) the voting rights of the limited partners are not proportional to their obligations to absorb expected losses and rights to receive expected residual returns and (b) substantially all of Launch Equity's activities either involve or are conducted on behalf of the limited partners (the investors that have disproportionately few voting rights) and their related parties (including us).

Launch Equity qualifies for deferral of the current consolidation guidance for VIEs; therefore the consolidation assessment is based on previous consolidation guidance. This guidance requires an analysis of which party, through holding interests directly or indirectly in the entity or contractually through other variable interests, such as management and incentive fees, would absorb a majority of the expected variability of the entity. In determining whether we are the primary beneficiary of Launch Equity, we considered both qualitative and quantitative factors such as voting rights of the equity holders, economic participation of all parties, including how fees are earned by us, related party ownership and the level of involvement we had in the design of the VIE. We concluded we were the primary beneficiary as the related party group absorbs a majority of the variability associated with Launch Equity and we are the member within the related party group that is most closely associated with the VIE. Although we have only a minimal equity investment in Launch Equity, as the general partner, we control Launch Equity's management and affairs. In addition, the fund was designed to attract third party investors to provide an economic benefit to us in the form of quarterly management fees and an annual incentive fee based upon the net capital appreciation of the fund. Also, in the ordinary course of business, we may choose to waive certain fees or assume operating expenses of the fund. As a result, we concluded we were the primary beneficiary of Launch Equity and its results are included in our consolidated financial statements.

Our maximum exposure to loss from our involvement with Launch Equity is limited to our equity investment of $1 thousand while our potential benefit is limited to the management and incentive fees we receive as investment adviser. Therefore, the gains or losses of Launch Equity have not had a significant impact on our results of operations, liquidity or capital resources. We have no right to the benefits from, nor do we bear the risks associated with, Launch Equity's investments, beyond our minimal direct investment in Launch Equity. If we were to liquidate, the assets of Launch Equity would not be available to our general creditors and as a result, we do not consider investments held by Launch Equity to be our assets.

The following tables reflect the impact of consolidating Launch Equity's assets and liabilities into the Consolidated Statement of Financial Condition as of September 30, 2013 and December 31, 2012 and results into the Consolidated Statement of Operations for the three and nine months ended September 30, 2013 and 2012.

Condensed Consolidating Statements of Financial Condition

	As of September 30, 2013				As of December 31, 2012			
	Before Consolidation	Launch Equity	Eliminations	As Reported	Before Consolidation	Launch Equity	Eliminations	As Reported
Cash and cash equivalents	$ 275,927	$ —	$ —	$ 275,927	$ 141,159	$ —	$ —	$ 141,159
Cash and cash equivalents of Launch Equity	—	18,420	—	18,420	—	10,180	—	10,180
Accounts receivable	59,398	—	—	59,398	46,022	—	—	46,022
Accounts receivable of Launch Equity	—	15,187	—	15,187	—	10,595	—	10,595
Investment securities of Launch Equity	1	65,341	(1)	65,341	1	46,237	(1)	46,237
Other assets	107,514	—	—	107,514	33,367	—	—	33,367
Total assets	$ 442,840	$ 98,948	$ (1)	$ 541,787	$ 220,549	$ 67,012	$ (1)	$ 287,560
Payables of Launch Equity	$ —	$ 14,533	$ —	$ 14,533	$ —	$ 10,726	$ —	$ 10,726
Securities sold, not yet purchased of Launch Equity	—	35,497	—	35,497	—	19,586	—	19,586
Other liabilities	395,817	—	—	395,817	572,769	—	—	572,769
Total liabilities	395,817	50,030	—	445,847	572,769	30,312	—	603,081
Redeemable preferred units	—	—	—	—	357,194	—	—	357,194
Total stockholders' equity	24,559	—	—	24,559	—	—	—	—
Noncontrolling interest - Artisan Partners Holdings	22,464	1	(1)	22,464	(709,414)	1	(1)	(709,414)
Noncontrolling interest - Launch Equity	—	48,917	—	48,917	—	36,699	—	36,699
Total equity (deficit)	47,023	48,918	(1)	95,940	(709,414)	36,700	(1)	(672,715)
Total liabilities and equity	$ 442,840	$ 98,948	$ (1)	$ 541,787	$ 220,549	$ 67,012	$ (1)	$ 287,560

Condensed Consolidating Statements of Operations

	Three Months Ended							
	September 30, 2013				September 30, 2012			
	Before Consolidation	Launch Equity	Eliminations	As Reported	Before Consolidation	Launch Equity	Eliminations	As Reported
Total revenues	$ 178,214	$ —	$ (122)	$ 178,092	$ 128,174	$ —	$ (91)	$ 128,083
Total operating expenses	124,854	—	(122)	124,732	166,392	—	(91)	166,301
Operating income (loss)	53,360	—	—	53,360	(38,218)	—	—	(38,218)
Non-operating income (loss)	4,055	—	—	4,055	(4,440)	—	—	(4,440)
Net gains of Launch Equity	—	5,499	—	5,499	—	6,935	—	6,935
Total non-operating income (loss)	4,055	5,499	—	9,554	(4,440)	6,935	—	2,495
Income (loss) before income taxes	57,415	5,499	—	62,914	(42,658)	6,935	—	(35,723)
Provision for income taxes	6,824	—	—	6,824	243	—	—	243
Net income (loss)	50,591	5,499	—	56,090	(42,901)	6,935	—	(35,966)
Less: Net income attributable to noncontrolling interests - Artisan Partners Holdings	44,614	—	—	44,614	(42,901)	—	—	(42,901)
Less: Net income attributable to noncontrolling interests - Launch Equity	—	5,499	—	5,499	—	6,935	—	6,935
Net income attributable to Artisan Partners Asset Management Inc.	$ 5,977	$ —	$ —	$ 5,977	$ —	$ —	$ —	$ —

	Nine Months Ended							
	September 30, 2013				September 30, 2012			
	Before Consolidation	Launch Equity	Eliminations	As Reported	Before Consolidation	Launch Equity	Eliminations	As Reported
Total revenues	$ 488,583	$ —	$ (335)	$ 488,248	$ 368,772	$ —	$ (230)	$ 368,542
Total operating expenses	808,153	—	(335)	807,818	361,118	—	(230)	360,888
Operating income (loss)	(319,570)	—	—	(319,570)	7,654	—	—	7,654
Non-operating income (loss)	31,374	—	—	31,374	(9,724)	—	—	(9,724)
Net gains of Launch Equity	—	9,068	—	9,068	—	8,474	—	8,474
Total non-operating income (loss)	31,374	9,068	—	40,442	(9,724)	8,474	—	(1,250)
Income (loss) before income taxes	(288,196)	9,068	—	(279,128)	(2,070)	8,474	—	6,404
Provision for income taxes	17,146	—	—	17,146	822	—	—	822
Net income (loss)	(305,342)	9,068	—	(296,274)	(2,892)	8,474	—	5,582
Less: Net income (loss) attributable to noncontrolling interests - Artisan Partners Holdings	(320,067)	—	—	(320,067)	(2,892)	—	—	(2,892)
Less: Net income attributable to noncontrolling interests - Launch Equity	—	9,068	—	9,068	—	8,474	—	8,474
Net income attributable to Artisan Partners Asset Management Inc.	$ 14,725	$ —	$ —	$ 14,725	$ —	$ —	$ —	$ —

The carrying value of Launch Equity's consolidated investments is also their fair value. Short and long positions on equity securities are valued based upon closing market prices of the security on the principal exchange on which they are traded. Investments in investment companies are valued at their respective net asset values on the valuation date. Short-term investments, other than repurchase agreements, maturing within sixty days from the valuation date are valued at amortized cost, which approximates market value.

The following table presents the fair value hierarchy levels of investments and liabilities held by Launch Equity which are measured at fair value as of September 30, 2013 and December 31, 2012:

	Assets and Liabilities at Fair Value:			
	Total	Level 1	Level 2	Level 3
September 30, 2013				
Assets				
Cash and cash equivalents	$ 18,420	$ 18,420	$ —	$ —
Equity securities – long position	$ 65,341	$ 65,341	$ —	$ —
Liabilities				
Equity securities – short position	$ 35,497	$ 35,497	$ —	$ —
December 31, 2012				
Assets				
Cash and cash equivalents	$ 10,180	$ 10,180	$ —	$ —
Equity securities – long position	$ 46,237	$ 46,237	$ —	$ —
Liabilities				
Equity securities – short position	$ 19,586	$ 19,586	$ —	$ —

Note 10. Stockholders' Equity

Artisan Partners Holdings - Partners' Deficit

Prior to the reorganization described in Note 2, "Reorganization and IPO", Holdings was a private company. Holdings had several outstanding classes of partnership units held by investors.

Holdings historically made, and will continue to make, distributions of its net income to the holders of its partnership units for income taxes as required under the terms of the partnership agreement and also made, and will continue to make, additional distributions of its net income under the terms of the partnership agreement. The distributions have been recorded in the financial statements on the declaration date, or on the payment date in lieu of a declaration date.

Holding's partnership distributions totaled $58.5 million and $81.1 million for the three months ended September 30, 2013 and 2012, respectively, and $245.1 million and $134.6 million for the nine months ended September 30, 2013 and 2012, respectively. Partnership distributions for the three and nine months ended September 30, 2012 includes a partnership distribution payable of $12.5 million declared by Holdings on September 12, 2012 and paid on October 16, 2012. The portion of these distributions made prior to the IPO to the holders of Class B common units (which were classified as liability awards prior to the IPO) are reflected as compensation and benefits expense within the Consolidated Statements of Operations, and totaled $32.1 million for the three months ended September 30, 2012, and $65.7 million and $54.0 million for the nine months ended September 30, 2013 and 2012, respectively. The portion of these distributions made prior to the IPO to the other partners of Holdings and, after the IPO, to all partners impact total stockholders' equity, with the exception of the portion of distributions made to APAM, the general partner of Holdings. Holdings distributions to APAM totaled $12.5 million and $19.3 million for the three and nine months ended September 30, 2013, respectively.

The pre-IPO partners of Holdings received APAM shares in connection with the reorganization and IPO, as described below.

APAM - Stockholders' Equity

As of September 30, 2013, APAM had the following authorized and outstanding equity:

	Shares at September 30, 2013			
	Authorized	Outstanding	Voting Rights [1]	Economic Rights [2]
Common shares				
Class A, par value $0.01 per share	500,000,000	14,287,436	1 vote per share	Proportionate
Class B, par value $0.01 per share	200,000,000	25,629,149	5 votes per share	None
Class C, par value $0.01 per share	400,000,000	29,001,959	1 vote per share	None
Preferred shares				
Convertible preferred, par value $0.01 per share	15,000,000	2,565,463	1 vote per share	Proportionate

[1] Artisan Investment Corporation and each of our employees to whom we have granted equity have entered into a stockholders agreement with respect to all shares of our common stock they have acquired from us and any shares they may acquire from us in the future, pursuant to which they granted an irrevocable voting proxy to a Stockholders Committee. As of September 30, 2013, our employees held 1,575,157 shares of Class A common stock subject to the agreement and all 25,629,149 outstanding shares of Class B common stock, and Artisan Investment Corporation held 9,627,644 shares of Class C common stock.

[2] The holders of preferred units of Holdings are entitled to preferential distributions in the case of a partial capital event or upon dissolution of Holdings. In the case of any distributions on the preferred units, prior to declaring or paying any dividends on the Class A common stock, APAM must pay the holders of convertible preferred stock a dividend equal to the distribution APAM received in respect of the preferred units it holds, net of taxes, if any.

APAM is dependent on cash generated by Holdings to fund any dividends. Generally, Holdings will make distributions to all of its partners, including APAM, based on the proportionate ownership each holds in Holdings. APAM will fund dividends to its stockholders from its proportionate share of those distributions after provision for its taxes and other obligations. During the quarter APAM paid a dividend of $0.43 per share of outstanding Class A common stock.

APAM issued the following shares during the nine months ended September 30, 2013, primarily in connection with the reorganization and IPO described in Note 2, "Reorganization and IPO":

Class A Common Stock

APAM issued 12,712,279 shares of Class A common stock in the IPO. APAM also granted a total of 16,670 restricted stock units with respect to Class A common stock to non-employee directors in connection with the IPO. Following the first anniversary of the IPO (absent an earlier waiver by APAM), subject to certain conditions and restrictions, each Class A, Class B, Class D and Class E unit of Holdings (together with the corresponding share of Class B or Class C common stock) will be exchangeable for one share of Class A common stock. The preferred units of Holdings (together with the corresponding shares of Class C common stock) will also be exchangeable for Class A common stock, though in certain circumstances on less than a one-for-one basis. Our convertible preferred stock is convertible into Class A common stock generally on a one-for-one basis, though in certain circumstances on a less than one-for-one basis.

On July 17, 2013, APAM issued 1,575,157 restricted shares of Class A common stock to its employees and employees of its subsidiaries. In general, these restricted shares will vest pro rata in the third fiscal quarter of each of the next five years.

Class B Common Stock

APAM issued 26,271,120 shares of Class B common stock to employee-partners in amounts equal to the number of Class B common units those individuals held in Holdings. Upon termination of employment with Artisan, an employee-partner's vested Class B common units are automatically exchanged for Class E common units; unvested Class B common units are forfeited. The employee-partner's shares of Class B common stock are canceled and APAM issues the former employee-partner a number of shares of Class C common stock equal to the former employee-partner's number of Class E common units. The former employee-partner's Class E common units are exchangeable for Class A common stock subject to the same restrictions and limitations on exchange applicable to the other common units of Holdings. During the three and nine months ended September 30, 2013, 209,853 and 641,971 shares of Class B common stock, respectively, were canceled as a result of the termination of employment of employee-partners.

Class C Common Stock

APAM issued 28,442,643 shares of Class C common stock to certain investors in Holdings. The number of shares issued was equal to the number of units the investors held in Holdings. During the three and nine months ended September 30, 2013, 167,798 and 559,316 shares of Class C common stock, respectively, were issued to former employee-partners in connection with the termination of their employment as described above.

Convertible Preferred Stock

APAM issued 2,565,463 shares of convertible preferred stock in connection with the H&F Corp Merger as described in Note 2, "Reorganization and IPO". Shares of APAM convertible preferred stock are convertible into Class A common stock generally on a one-for-one basis, though in certain circumstances on a less than one-for-one basis. When the holders of APAM convertible preferred stock are no longer entitled to preferential distributions, all shares of convertible preferred stock will automatically convert into shares of Class A common stock at the conversion rate plus cash in lieu of fractional shares.

Note 11. Compensation and Benefits

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	**2012**	**2013**	**2012**
Salaries, incentive compensation and benefits [(1)]	$ 76,056	$ 56,401	$ 217,987	$ 165,655
Restricted share compensation expense	3,414	—	3,414	—
Total salaries, incentive compensation and benefits	79,470	56,401	221,401	165,655
Pre-offering related compensation - share-based awards	23,441	56,023	380,523	85,907
Pre-offering related compensation - other	—	32,065	143,035	53,960
Total compensation and benefits	$ 102,911	$ 144,489	$ 744,959	$ 305,522

[(1)] Excluding share-based compensation

Incentive compensation

Cash incentive compensation paid to members of our portfolio management teams and members of our marketing and client service teams is based on a formula that is tied directly to revenues. These payments are made in the quarter following the quarter in which the incentive was earned with the exception of fourth quarter payments which are paid in the fourth quarter of the year. Cash incentive compensation paid to most other employees is discretionary and subjectively determined based on individual performance and our overall results during the applicable year and is generally paid in the fourth quarter of the year.

Restricted shares

On July 17, 2013, our board of directors approved the issuance of 1,575,157 restricted shares of Class A common stock to our employees and employees of our subsidiaries pursuant to our 2013 Omnibus Incentive Compensation Plan. The shares will vest pro rata over the next five years. Unvested shares are subject to forfeiture upon termination of employment. Grantees receiving the awards are entitled to voting rights and rights to dividends on unvested and vested shares.

Total compensation expense associated with the July 17 award is expected to be approximately $79.2 million, which will be recognized over the five-year vesting period. The Company recognizes compensation expense based on estimated grant date fair value, for only those awards expected to vest, on a straight-line basis over the requisite service period of the award. The Company estimated the number of awards expected to vest based, in part, on historical forfeiture rates and also based on management's expectations of employee turnover. Forfeitures are estimated at the time of grant and revised in subsequent periods, if necessary, based on actual forfeiture activity.

The following table summarizes the restricted share activity for the nine months ended September 30, 2013:

	Weighted-Average Grant Date Fair Value	Number of Awards
Unvested at December 31, 2012	$ —	—
Granted	52.36	1,575,157
Forfeited	—	—
Vested	—	—
Unvested at September 30, 2013	$ 52.36	1,575,157

Compensation expense recognized related to the restricted shares was $3.4 million for the three and nine months ended September 30, 2013. The unrecognized compensation expense for the unvested restricted shares as of September 30, 2013 was $75.8 million with a weighted average recognition period of 4.80 years remaining.

Pre-offering related compensation consists of the following:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Change in value of Class B liability awards	$ —	$ 56,023	$ 41,942	$ 85,907
Class B award modification expense	—	—	287,292	—
Amortization expense on pre-offering Class B awards	23,441	—	51,289	—
Pre-offering related compensation - share-based awards	23,441	56,023	380,523	85,907
Pre-offering related cash incentive compensation	—	—	56,788	—
Pre-offering related bonus make-whole compensation	—	—	20,520	—
Distributions on Class B liability awards	—	32,065	65,727	53,960
Pre-offering related compensation - other	—	32,065	143,035	53,960
Total pre-offering related compensation	$ 23,441	$ 88,088	$ 523,558	$ 139,867

Pre-offering related compensation - share-based awards

Historical Class B share-based awards

Holdings historically granted Class B share-based awards to certain employees. These awards vested over a period of five years. Prior to the IPO, all vested Class B awards were subject to mandatory redemption on termination of employment for any reason and were reflected as liabilities measured at fair value; unvested Class B awards were forfeited on termination of employment. The vested Class B liability awards of a terminated employee were historically redeemed in cash in annual installments, generally over the five years following termination of employment. The change in value of Class B liability awards and distributions to Class B limited partners were treated as compensation expense.

Historical redemption of Class B awards

Holdings historically redeemed the Class B awards of partners whose employment was terminated. The redemption value of the awards was determined in accordance with the terms of the grant agreement pursuant to which the award was granted. Prior to July 15, 2012, the redemption value of a Class B award was based on the partner's equity balance which was determined for this purpose using a formula based on then-current EBITDA (excluding share-based compensation charges) multiplied by a stated multiple, adjusted to take into account working capital, debt and noncurrent liabilities associated with Class B partner redemptions. From July 15, 2012 through completion of the IPO-related reorganization, the redemption value of a Class B common unit held by a terminated employee-partner was based on the fair market value of the firm by reference to the value of asset management firms with publicly-traded equity securities. We estimated the aggregate fair value of all outstanding Class B awards in connection with preparation of our financial statements by first determining the value of the business based on the probability weighted expected return method. This approach considered the value of the business, calculated using a discounted cash flow analysis and a market approach using earnings multiples of comparable entities, under various scenarios. Significant inputs included historical revenues and expenses, future revenue and expense projections, discount rates and market prices of comparable entities. The value of the business as determined was then adjusted to take into account working capital, debt and noncurrent liabilities associated with Class B partner redemptions and allocated to individual partnership interests based on their respective terms.

Prior to the IPO-related reorganization and IPO, the redemption value of Class B awards held by an employee-partner whose employment was terminated included a premium in the case of employment terminated by reason of death, disability or retirement. A qualifying retirement required the employee to have had 10 years or more of service as of the date of retirement and to have given Artisan written notice of the intention to retire at least three years prior to the date of retirement, subject to Artisan's right, at its discretion, to accept a period of notice that was shorter, but not less than one year. Acceptance of an individual's retirement notification obligated Holdings to pay the premium. However, in the event the employee was terminated for any reason during the additional period of employment, the retirement premium was no longer applicable. We considered termination of employment by reason of death or disability to be not probable and therefore, unless Holdings had accepted a partner's retirement notification, the premium was not included in calculating the redemption value of that partner's individual Class B award. Unless a retirement notification had been accepted, the redemption value of Class B awards was calculated assuming a holder's termination of employment was the result of resignation or involuntary termination by Artisan and had been recorded as Class B liability award on the Consolidated Statements of Financial Condition.

As of December 31, 2012, Holdings had accepted three notices of retirement and the redemption value of the related Class B interests was increased to reflect the premium associated with the anticipated redemptions by reason of retirement. Since this premium would apply only upon retirement in accordance with the terms of the grant agreement and notice, the increase in redemption value was treated as a modification of a liability award as of the date Artisan accepted the notice of retirement in 2012 and effectively became obligated to pay the premium on redemption. As of December 31, 2012, the premium for those partners giving notice of retirement resulted in a $7.9 million cumulative increase in the award liability. The Class B interests were carried at fair value, reflecting the retirement premium, from the date of Artisan's acceptance of the retirement notification through the date of the individual's retirement and the payment obligation was fixed.

The Class B awards of partners whose services to Holdings terminated prior to the IPO will be redeemed for payments totaling $26.7 million and $29.3 million as of September 30, 2013 and December 31, 2012, respectively. Payments of $0.8 million and $5.1 million were made for the three and nine months ended September 30, 2013, respectively. Additionally, the partner redemption liability was increased $2.5 million for a partner whose employment terminated in the first quarter prior to the IPO.

The aggregate redemption values and liabilities of the Class B obligation were as follows:

	As of As of September 30, 2013	As of December 31, 2012
Redemption value:		
Vested Class B share-based awards	$ —	$ 225,249
Unvested Class B share-based awards	—	103,052
Purchased Class B share-based awards	—	2,811
Aggregate fair value	$ —	$ 331,112
Liabilities:		
Class B share-based awards	$ —	$ 225,249
Redeemed Class B share-based awards	26,713	29,257

At December 31, 2012, the aggregate fair value of unrecognized compensation cost for the unvested Class B awards was $103.1 million with a weighted average recognition period of 3.30 years remaining.

Modification of Class B share-based awards

As a part of the IPO-related reorganization, the Class B grant agreements were amended to eliminate the cash redemption feature. The amendment is considered a modification under ASC 718 and the Class B awards have been classified as equity awards since such modification. As a result of the modification, we recognized a non-recurring expense of $287.3 million based on the elimination of the redemption feature associated with the Class B awards recorded as the difference between the fair value and carrying value of the liability associated with the vested Class B common units immediately prior to the IPO. For any unvested Class B awards, we will recognize recurring non-cash compensation charges over the remaining vesting period. No additional awards were granted during the nine months ended September 30, 2013.

The following table summarizes the activity related to unvested Class B awards during the period March 12, 2013 to September 30, 2013:

	March 12, 2013 to September 30, 2013	
	Weighted-Average Grant Date Fair Value	Number of Class B Awards
Unvested Class B awards at March 12, 2013	$ 30.00	10,049,314
Granted	—	—
Forfeited	—	(64,436)
Vested	—	(2,652,458)
Unvested at September 30, 2013	$ 30.00	7,332,420

The unrecognized compensation expense for the unvested Class B awards as of September 30, 2013 was $175.5 million with a weighted average recognition period of 2.89 years remaining.

Upon termination of employment with Artisan, an employee-partner's vested Class B common units are automatically exchanged for Class E common units; unvested Class B common units are forfeited. The employee-partner's shares of Class B common stock are canceled and APAM issues the former employee-partner a number of shares of Class C common stock equal to the former employee-partner's number of Class E common units. The former employee-partner's Class E common units are exchangeable for Class A common stock subject to the same restrictions and limitations on exchange applicable to the other common units of Holdings.

Pre-offering related compensation - other

In addition to the modification of Class B share-based awards, we also incurred pre-offering related compensation charges of $56.8 million to pay cash incentive compensation to certain portfolio managers and $20.5 million representing profits after the IPO otherwise allocable and distributable, in the aggregate, to Holdings' pre-IPO non-employee partners that instead has been allocated and will be distributed to certain employee-partners. For the current year period prior to the IPO, profits distributions totaling $65.7 million were made to Class B partners.

Note 12. Income Taxes and Related Payments

APAM is subject to U.S. federal and state income taxation on APAM's allocable portion of the income of Holdings. APAM's effective income tax rate was lower than the U.S. Federal statutory rate and is dependent on many factors, including a rate benefit attributable to the fact that approximately 76% of Holdings' earnings are not subject to corporate level taxes. This favorable impact is partially offset by the impact of certain permanent items, primarily attributable to certain compensation related expenses that are not deductible for tax purposes. Prior to our IPO and reorganization in March 2013, none of Holdings' earnings were subject to U.S. corporate-level taxes. The provision for income taxes in 2012 represents foreign income taxes of certain foreign corporate subsidiaries.

The H&F Corp Merger described in Note 2, "Reorganization and IPO" resulted in an increase in tax basis which we expect will reduce future U.S. federal and state income taxes and create a liability under the TRA between APAM and the former shareholder of H&F Corp. The purchase by APAM of Class A common units in connection with the IPO also resulted in an increase in tax basis which we expect will reduce future U.S. federal and state income taxes and create a liability under the TRA between APAM and the limited partners of Holdings. The TRAs require APAM to pay to the relevant counterparty an amount equal to 85% of the cash tax savings (if any) resulting from the increased tax benefits from the transaction giving rise to the tax benefit and for APAM to retain 15% of such benefits. Accordingly, balances of deferred tax assets, amounts payable under TRA and additional paid-in

capital were $61.6 million, $54.0 million and $9.5 million, respectively, as of September 30, 2013. The deferred tax asset is comprised of the $62.9 million originally recorded at the time of the IPO less $1.3 million reclassified as current year-to-date amortization.

See Note 3, "Summary of Significant Accounting Policies" for further information. No amounts were paid under the TRAs for the nine months ended September 30, 2013.

Components of the provision for income taxes consist of the following:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Current:				
Federal	$ 4,868	$ —	$ 8,007	$ —
State and local	647	—	1,564	—
Foreign	100	243	320	822
Total	5,615	243	9,891	822
Deferred:				
Federal	1,131	—	7,027	—
State and local	78	—	228	—
Total	1,209	—	7,255	—
Income tax expense	$ 6,824	$ 243	$ 17,146	$ 822

Net deferred tax assets comprise the following:

	As of September 30, 2013	As of December 31, 2012
Deferred tax assets:		
Step-up of tax basis [1]	$ 61,562	$ —
Contingent value rights [2]	1,191	—
Other [3]	2,001	—
Total deferred tax assets	64,754	—
Less: valuation allowance [4]	—	—
Net deferred tax assets	$ 64,754	$ —

[1] Represents the unamortized step-up of tax basis from the H&F Corp Merger and the purchase of Class A common units by APAM.

[2] The initial establishment of the CVR liability at the time of the IPO was recorded through equity. For tax purposes, this liability will result in a tax benefit when the CVRs are settled.

[3] Represents the net deferred tax assets associated with the H&F Corp Merger and other miscellaneous deferred tax assets.

[4] We assessed whether the deferred tax assets would be realizable and determined based on our history of taxable income that the benefits would more likely than not be realized. Accordingly, no valuation allowance is required.

Accounting standards establish a minimum threshold for recognizing, and a system for measuring, the benefits of income tax return positions in financial statements. There were no uncertain tax positions recorded as of September 30, 2013 and December 31, 2012.

In the normal course of business, we are subject to examination by federal and certain state, local and foreign tax regulators. As of September 30, 2013, our U.S. federal income tax returns for the years 2010 through 2012 are open and therefore subject to examination. State and local tax returns are generally subject to audit from 2009 to 2012. Foreign tax returns are generally subject to audit from 2010 to 2012.

Note 13. Earnings Per Share

Basic earnings per share is computed by dividing income available to Class A common stockholders by the weighted average number of Class A common shares outstanding during the period. Unvested restricted shares are excluded from the number of Class A common shares outstanding for the basic earnings per share calculation because the shares have not yet been earned by the employees. Income available to Class A common stockholders is computed by deducting from net income attributable to APAM dividends declared or paid to convertible preferred stockholders during the period and earnings (distributed and undistributed) allocated to participating securities, according to their respective rights to participate in those earnings. The IPO and related reorganization closed on March 12, 2013. All income for the period prior to that date was entirely allocable to noncontrolling interest. As a result, only net income allocable to APAM from the period subsequent to the IPO is included in net income (loss) available to Class A common stockholders for the period ended September 30, 2013.

Diluted earnings per share is computed by increasing the denominator by the amount of additional Class A common shares that would have been outstanding if all potential Class A common shares had been issued. Potential dilutive Class A common shares consist of (1) the Class A common shares issuable upon exchange of Holdings' limited partnership units (together with the corresponding shares of APAM Class B or C common stock) for APAM Class A common stock and conversion of APAM convertible preferred stock into APAM Class A common stock and (2) unvested restricted shares of Class A common stock.

At September 30, 2013, there were 54,631,108 limited partnership units of Holdings outstanding which, subject to certain restrictions and conditions, will be exchangeable for up to 54,631,108 shares of the Company's Class A common stock beginning on March 12, 2014, unless we were to allow earlier exchanges. Such units/shares were not included in the calculation of diluted net income (loss) per common share because the effect would have been anti-dilutive. Unvested restricted shares of Class A common stock were also determined to be anti-dilutive. As a result, the 1,575,157 unvested shares and net income allocated to those shares were excluded from the calculation of diluted earnings per share. The 2,565,463 shares of APAM convertible preferred stock were determined to be dilutive and are included in the diluted earnings per share calculation. The dilutive effect of outstanding convertible preferred stock is reflected in diluted earnings per share by application of the if-converted method.

The computation of weighted average common shares outstanding considers the outstanding shares of Class A common stock from March 12, 2013, through September 30, 2013. The Class B and Class C common shares do not share in profits of APAM and therefore are not reflected. The computation of basic and diluted earnings per share for the three months ended September 30, 2013 and the period March 12, 2013 through September 30, 2013 were as follows:

Basic Earnings Per Share	**For the Three Months Ended September 30, 2013**	**For the Period from March 12, 2013 through September 30, 2013**
Numerator:		
Net income (loss) allocable to APAM - basic	$ 5,977	$ 14,725
Convertible preferred stock dividends	—	—
Net income allocated to participating securities - basic	(650)	(2,357)
Net income (loss) allocable to common shareholders - basic	$ 5,327	$ 12,368
Denominator:		
Weighted average shares outstanding - basic	12,728,949	12,728,949
Earnings per share - basic	$ 0.42	$ 0.97

Diluted Earnings Per Share	For the Three Months Ended September 30, 2013	For the Period from March 12, 2013 through September 30, 2013
Numerator:		
Net income (loss) allocable to APAM - diluted	$ 5,977	$ 14,725
Convertible preferred stock dividends	—	—
Net income allocated to participating securities - diluted	(650)	(967)
Net income (loss) allocable to common shareholders - diluted	$ 5,327	$ 13,758
Denominator:		
Weighted average shares outstanding - basic	12,728,949	12,728,949
Effect of dilutive securities	2,565,463	2,565,463
Weighted average shares outstanding - diluted	15,294,412	15,294,412
Earnings per share - diluted	$ 0.35	$ 0.90

Note 14. Indemnifications

In the normal course of business, we enter into agreements that include indemnities in favor of third parties. Holdings has also agreed to indemnify APAM as its general partner, AIC as its former general partner, the directors and officers of APAM and AIC, the members of its former Advisory Committee, and its partners, employees and agents. Holdings' subsidiaries may also have similar agreements to indemnify their respective general partner(s), directors and officers of their general partner(s), partners, members, employees, and agents. Our maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against us that have not yet occurred. We maintain insurance policies that may provide coverage against certain claims under these indemnities.

Note 15. Related Party Transactions

Artisan engages in transactions with its affiliates in the ordinary course of business.

Affiliate transactions—Artisan Funds

We have agreements to serve as the investment manager of Artisan Funds, with which certain of our employees are affiliated. Under the terms of these agreements, which are generally reviewed and continued by the board of directors of Artisan Funds annually, we receive a fee based on an annual percentage of the average daily net assets of each Artisan Fund ranging from 0.64% to 1.25%. We generally collect revenues related to these services on the last business day of each month and record them in Management fees in the Consolidated Statement of Operations. We have contractually agreed to waive our management fees or reimburse for expenses incurred to the extent necessary to limit annualized ordinary operating expenses incurred by certain of the Artisan Funds to not more than 1.50% of average daily net assets through February 1, 2014. In addition, we may voluntarily waive fees or reimburse any of the Artisan Funds for other expenses. The officers and a director of Artisan Funds who are affiliated with us receive no compensation from the funds. At September 30, 2013 and December 31, 2012, respectively, accounts receivable included $0 and $81 thousand due from Artisan Funds.

Fees for managing the Artisan Funds and amounts waived or reimbursed by us for fees and expenses (including management fees) are as follows:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Investment management fees:				
Artisan Funds	$ 118,854	$ 84,626	$ 324,467	$ 243,708
Fee waiver / expense reimbursement:				
Artisan Funds	$ 151	$ 56	$ 273	$ 171

Affiliate transactions—Artisan Global Funds

We have agreements to serve as the investment manager and promoter of Artisan Global Funds, with which certain of our employees are affiliated. Under the terms of these agreements, we receive a fee based on an annual percentage of the average daily net assets of each fund ranging from 0.75% to 1.80%. We reimburse each sub-fund of Artisan Global Funds to the extent that sub-fund's expenses, not including our fee, exceed certain levels, which range from 0.10% to 0.20%. At September 30, 2013 and December 31, 2012, respectively, accounts receivable included $1.0 million and $0.7 million due from Artisan Global Funds.

Fees for managing Artisan Global Funds and amounts reimbursed to Artisan Global Funds by us are as follows:

	For the For the Three Months Ended September 30,		For the For the Nine Months Ended September 30,	
	2013	2012	2013	2012
Investment management fees:				
Artisan Global Funds	$ 2,490	$ 794	$ 6,039	$ 2,011
Fee waiver / expense reimbursement:				
Artisan Global Funds	$ 145	$ 119	$ 573	$ 498

Affiliate transactions—Launch Equity

We have an agreement to serve as the investment manager of Launch Equity. Under the terms of the agreement we earn a quarterly fee based on the value of the closing capital account of each limited partner for the quarter, at the rate of 1.00% (annualized). At our discretion, the fee may be waived and certain expenses reimbursed to the extent they exceed a certain level. We expect to waive 100% of our quarterly fee and reimburse Launch Equity for all operating expenses, and we may waive other expenses as well. We are also entitled to receive an allocation equal to 20% of Launch Equity's net capital appreciation as determined at the conclusion of its fiscal year. That amount, which we also expect to waive in the future, is calculated at the end of the Launch Equity's fiscal year. Expense reimbursements totaled $41 thousand and $18 thousand for the three months ended September 30, 2013 and 2012, respectively, and $128 thousand and $100 thousand for the nine months ended September 30, 2013 and 2012, respectively.

Affiliate transactions—AIC

We have cost sharing arrangements with AIC, as well as AIC's beneficial owners, Andrew A. Ziegler (an Artisan employee and our Executive Chairman) and Carlene M. Ziegler (also an Artisan employee), pursuant to which we and certain of our employees provide certain administrative services to AIC and its owners, and AIC and its owners reimburse us for the costs related to such services. At September 30, 2013 and December 31, 2012, accounts receivable included $50 thousand and $231 thousand due from AIC, respectively.

Note 16. Subsequent Events

On November 6, 2013, APAM completed a registered public offering of 5,520,000 shares of Class A common stock and utilized all of the net proceeds to purchase from private equity funds controlled by Hellman & Friedman LLC, 4,152,665 preferred units of Artisan Partners Holdings, our direct subsidiary, and 1,367,335 shares of our convertible preferred stock. As the offering occurred subsequent to September 30, 2013, the impact of the offering, including the cancellation of the CVRs in connection with the offering, is not reflected in APAM's September 30, 2013 consolidated financial statements. The offering will have the following impact on APAM's consolidated financial statements, which will be recorded in the fourth quarter:

- The CVRs were terminated without payment in conjunction with the offering and as a result, the $15.1 million liability has been eliminated.
- The offering increased APAM's ownership interest in Holdings from 24% to 29%.
- APAM's purchase of Holdings' preferred units with a portion of the net proceeds resulted in an increase to deferred tax assets of approximately $122.6 million and an increase in amounts payable under tax receivable agreements of approximately $104.2 million, in accordance with the TRAs.

Distributions and dividends

On October 22, 2013, the board of directors of APAM declared a distribution by Artisan Partners Holdings of $21.4 million to holders of Artisan Partners Holdings partnership units, including APAM. On the same date, the board declared a $0.43 dividend with respect to APAM's Class A common stock. The APAM dividend is payable on November 26, 2013, to shareholders of record as of November 11, 2013.

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

Overview

We are an investment management firm focused on providing high-value added, active investment strategies to sophisticated clients globally. Our operations are conducted through Artisan Partners Holdings and its subsidiaries. We derive essentially all of our revenues from investment management fees. Nearly all our fees are based on a specified percentage of clients' average assets under our management. We operate our business in a single segment.

We have five autonomous investment teams that oversee thirteen distinct U.S., non-U.S. and global investment strategies. Each strategy is offered through multiple investment vehicles to accommodate a broad range of client mandates.

Global equity market conditions can materially affect our financial performance. Global equity markets were generally strong during the third quarter and year to date period ended September 30, 2013. Equity market indices generally increased globally during the three and nine months ended September 30, 2013, as evidenced by the 5.2% and 19.8% total returns of the S&P 500 Index and 7.9% and 14.4% total returns of the MSCI All Country World Index, during the respective periods.

As of September 30, 2013, our assets under management ("AUM") were $96.9 billion. During the three months ended September 30, 2013 we generated $178.0 million in revenues on $92.4 billion in average AUM. For the nine months ended September 30, 2013 we generated $488.2 million in revenues on $85.7 billion in average AUM. A combination of net client cash inflows of $2.1 billion and $5.7 billion and market appreciation of $9.0 billion and $16.9 billion, contributed to our growth in AUM and revenues for the three and nine months ended September 30, 2013, respectively. For the three and nine months ended September 30, 2013 we had positive net client cash flows in 11 of our 13 strategies and in all five distribution channels, sourced from clients located in the U.S. and abroad.

On July 17, 2013, our board of directors approved the issuance of 1,575,157 restricted shares of Class A common stock to our employees and employees of our subsidiaries. Total compensation expense associated with these awards is expected to be approximately $79.2 million, which will be recognized over the five-year vesting period. Compensation expense recognized related to the restricted shares was $3.4 million for the three and nine months ended September 30, 2013.

On November 6, 2013, APAM completed an offering of 5,520,000 shares of Class A common stock and utilized all of the net proceeds to purchase from private equity funds controlled by Hellman & Friedman LLC, 4,152,665 preferred units of Artisan Partners Holdings ("Holdings"), our direct subsidiary, and 1,367,335 shares of our convertible preferred stock. As the offering occurred subsequent to September 30, 2013, the impact of the offering, including the cancellation of the CVRs in connection with the offering, is not reflected in APAM's September 30, 2013 consolidated financial statements.

As of September 30, 2013 we had approximately 295 employees.

Factors Impacting our Results of Operations

Organizational Restructuring

On March 12, 2013, APAM and the intermediary holding company through which APAM conducts its operations, Artisan Partners Holdings, completed a series of transactions (the "IPO Reorganization") to reorganize their capital structures in connection with the initial public offering ("IPO") of APAM's Class A common stock. The IPO Reorganization and IPO were completed on March 12, 2013. The IPO Reorganization was designed to create a capital structure that preserves our ability to conduct our business through Holdings, while permitting us to raise additional capital and provide access to liquidity through a public company. The IPO Reorganization is described in detail under the heading "Our Structure and Reorganization" in our prospectus dated March 6, 2013, filed with the SEC in accordance with Rule 424(b) of the Securities Act of 1933 on March 7, 2013, which is accessible on the SEC's website at www.sec.gov.

The historical results of operations discussed below are the combined results of Artisan Partners Asset Management and Artisan Partners Holdings. Because Artisan Partners Asset Management and Artisan Partners Holdings were under common control at the time of the IPO Reorganization, Artisan Partners Asset Management's acquisition of control of Artisan Partners Holdings was accounted for as a transaction among entities under common control. Artisan Partners Asset Management has been allocated a part of Artisan Partners Holdings' net income since March 12, 2013, when it became Artisan Partners Holdings' general partner. Our employees and other investors held approximately 76% of the equity interests in Holdings as of September 30, 2013. As a result, our post-IPO results reflect a significant noncontrolling interest. As of September 30, 2013, our net income represented approximately 24% of Holdings' net income. The November 6, 2013 offering increased our ownership interest in Holdings from 24% to 29%.

Changes Related to Class B Common Units of Artisan Partners Holdings

A significant portion of our historical compensation and benefits expense related to Holdings' Class B limited partnership interests. Prior to the IPO Reorganization, Class B limited partnership interests were granted to certain employees. The Class B limited partnership interests provided both an interest in future profits of Holdings as well as an interest in the overall value of

Holdings. Class B limited partnership interests generally vested ratably over a five-year period from the date of grant. Holders of Class B limited partnership interests were entitled to fully participate in profits from and after the date of grant. The distribution of profits associated with these limited partnership interests was recorded as compensation and benefits expense.

Prior to the IPO Reorganization, all vested Class B limited partnership interests were subject to mandatory redemption on termination of employment for any reason, with payment in cash in annual installments over the five years following termination of employment. Unvested Class B limited partnership interests were forfeited on termination of employment. Due to the redemption feature, the Class B grants were considered liability awards. Compensation cost was measured at the grant date based on the fair value of the limited partnership interests granted, and was re-measured each period. Changes in the fair value that occurred after the end of the vesting period were recorded as compensation cost of the period in which the changes occurred through settlement of the limited partnership interests.

As part of the IPO Reorganization, the grant agreements pursuant to which the Class B interests were granted were amended to eliminate the cash redemption feature. As a result, liability award accounting no longer applies and the costs associated with distributions to our Class B partners and changes in the value of Class B liability awards are no longer recognized as compensation expense. However, we will continue to record compensation expense for the fair value of the Class B common units that were unvested at the time of the IPO Reorganization over their remaining vesting period. The total value of unvested Class B common units as of September 30, 2013 was $175.5 million. Also as a result of the IPO Reorganization, we recognized a non-recurring compensation expense based on the difference between the carrying value of the liability associated with the vested Class B common units immediately prior to the IPO Reorganization and the value based on the offering price per share of Class A common stock ($30.00 per share). The amount of this non-recurring charge was $287.3 million. We also recognized a $56.8 million compensation expense relating to a cash incentive compensation payment we made to certain of our portfolio managers in connection with the IPO and $20.5 million of compensation expense associated with the reallocation of profits after the IPO which otherwise would have been allocable and distributable to Holdings' pre-IPO non-employee partners but were instead allocated to certain of Artisan Partners Holdings' employee-partners.

Issuance of CVRs

As part of the IPO Reorganization, Holdings issued Partnership CVRs and APAM issued APAM CVRs in order to provide holders of Holdings preferred units and APAM convertible preferred stock with economic rights following the reorganization and IPO similar (although not identical) to the economic rights they possessed with respect to Holdings prior to the reorganization and IPO. The CVRs were terminated in conjunction with our common stock offering that closed on November 6, 2013. The CVRs have been classified as liabilities and accounted for under ASC 815 as derivatives. As of September 30, 2013, a fair value of $15.1 million was recorded as a liability for the CVRs. For the three and nine months ended September 30, 2013, gains of $6.9 million and $40.3 million, respectively were recorded in other non-operating gains (losses) to reflect a decrease in the fair value of the CVR liability.

Prior to their termination, the CVRs may have required Artisan to make a cash payment to the CVR holders on July 11, 2016, or, if earlier, five business days after the effective date of a change in control of Artisan. The amount of any required payment would have depended on the average of the daily volume weighted average price, or VWAP, of APAM Class A common stock over the 60 consecutive trading days prior to July 3, 2016 or the effective date of an earlier change of control and any proceeds realized by the CVR holders with respect to their equity interest in Artisan, subject to a maximum aggregate payment of $100.0 million for all CVRs. The CVRs would have been terminated without a payment if the average of the daily VWAP of APAM Class A common stock over any period of 60 consecutive trading days, beginning no earlier than June 12, 2014, was at least $43.11 divided by the then-applicable conversion rate applicable to the convertible preferred stock.

Tax Impact of IPO Reorganization

Historically, our business was not subject to U.S. federal and certain state income taxes. However, APAM, which became the general partner of Holdings as part of the IPO Reorganization, is subject to U.S. federal and state income taxation on its allocable portion of the income of Holdings.

In connection with the IPO, APAM entered into two tax receivable agreements ("TRAs"). Under the first TRA, APAM generally is required to pay to the holders of convertible preferred stock issued as consideration for the H&F Corp Merger (or Class A common stock issued upon conversion of that convertible preferred stock) 85% of the applicable cash savings, if any, in U.S. federal and state income tax that APAM actually realizes (or is deemed to realize in certain circumstance) as a result of (i) the tax attributes of the preferred units APAM acquired in the merger, (ii) net operating losses available as a result of the merger and (iii) tax benefits related to imputed interest. Under the second TRA, APAM generally is required to pay to the holders of limited partnership units of Holdings (or Class A common stock or convertible preferred stock issued upon exchange of limited partnership units) 85% of the amount of cash savings, if any, in U.S. federal and state income tax that APAM actually realizes (or is deemed to realize in certain circumstances) as a result of (i) certain tax attributes of their units sold to APAM or exchanged (for shares of Class A common stock or convertible preferred stock) and that are created as a result of the sales or exchanges and

payments under the TRAs and (ii) tax benefits related to imputed interest. Under both agreements, APAM generally will retain the benefit of the remaining 15% of the applicable tax savings.

As of September 30, 2013, a deferred tax asset of $64.8 million and amounts payable under the TRAs of $54.0 million have been recorded in the Condensed Consolidated Statements of Financial Condition as a result of the above items and other tax impacts of the IPO Reorganization. APAM's purchase of Holdings' preferred units with a portion of the November 6, 2013 offering proceeds resulted in an increase to deferred tax assets of approximately $122.6 million and an increase in amounts payable under tax receivable agreements of approximately $104.2 million as of November 6, 2013, in accordance with the TRAs.

Initial Public Offering

On March 12, 2013, APAM completed its initial public offering of 12,712,279 shares of Class A common stock for proceeds of $353.4 million, net of underwriting discounts and fees and expenses. In connection with the IPO, we used cash on hand to make cash incentive payments aggregating $56.8 million to certain of our portfolio managers. Also in connection with the IPO, we used a portion of the proceeds, combined with remaining cash on hand, for the following:

- To pay distributions of retained profits in the aggregate amount of $105.3 million to the pre-IPO partners of Holdings;
- To repay $90.0 million outstanding under our revolving credit agreement; and
- To purchase for $76.3 million an aggregate of 2,720,823 Class A common units from certain Class A limited partners of Holdings.

Costs of Being a Public Company

Following the IPO, we have incurred, and expect to continue to incur, additional expenses as a result of becoming a public company, including expenses related to additional staffing, directors' and officers' liability insurance, directors fees, SEC reporting and compliance (including Sarbanes-Oxley compliance), transfer agent fees, professional fees and other similar expenses. In addition, we expect to incur expense during the third and fourth quarters of 2013 and the first quarter of 2014, currently expected to be between $2.0 and $3.0 million in aggregate, in obtaining the necessary approvals from the boards and shareholders of the mutual funds we advise and sub-advise and the necessary consents from our separate account clients in connection with the change of control (for purposes of the Investment Company Act and Investment Advisers Act) that we expect to occur no later than March 12, 2014. These additional expenses will increase our general and administrative expenses and reduce our net income. Further, we may incur significant legal, accounting and other fees and expenses associated with future offerings of Class A common stock. We expect to incur between $1.0 and $2.0 million of expenditures in the fourth quarter of 2013 related to our common stock offering that closed on November 6, 2013. These expenses will be capitalized and reduce our equity.

Financial Overview

Assets Under Management and Investment Performance

Our assets under management increase or decrease with the net inflows or outflows of client assets into our various investment strategies and with the investment performance of these strategies. The amount and composition of our assets under management are, and will continue to be, influenced by a variety of factors including, among others:

- investment performance, including fluctuations in both the financial markets and foreign currency exchange rates and the quality of our investment decisions;
- flows of client assets into and out of our various strategies and investment vehicles;
- our decision to close strategies or limit the growth of assets in a strategy when we believe it is in the best interest of our clients;
- our ability to attract and retain qualified investment, management, and marketing and client service professionals;
- competitive conditions in the investment management and broader financial services sectors; and
- investor sentiment and confidence.

Our AUM increased to $96.9 billion at September 30, 2013, an increase of $27.1 billion, or 38.8%, from September 30, 2012 due to $19.9 billion in market appreciation and $7.2 billion of net client cash inflows. Average AUM during the quarter ended September 30, 2013 was $92.4 billion, an increase of 38.2% compared to average AUM during the quarter ended September 30, 2012 of $66.8 billion. Average AUM for the nine months ended September 30, 2013 was $85.7 billion, an increase of 32.9% compared to average AUM for the nine months ended September 30, 2012 of $64.5 billion. As of September 30, 2013, 11% of our AUM was sourced from non-U.S. clients, up from 10% of AUM as of September 30, 2012.

For the three months ended September 30, 2013, 11 of our 13 investment strategies experienced net client cash inflows, resulting in net client cash inflows of $2.1 billion for the period. The Global Value strategy, managed by the Global Value team, and the U.S. Small-Cap Growth strategy, managed by the Growth team, received the most net inflows during the quarter, gathering net inflows of $578.3 million and $414.3 million, respectively. During the three months ended September 30, 2013, our U.S. Mid-Cap Growth strategy and U.S. Small-Cap Value strategy experienced net client cash outflows. Artisan Funds and Artisan Global Funds had $1.9 billion of net inflows primarily sourced through our broker-dealer and financial advisor channels. Separate accounts had net inflows of $175.8 million.

For the nine months ended September 30, 2013, 11 of our 13 investment strategies experienced net client cash inflows, resulting in net client cash inflows of $5.7 billion for the period. Strategies managed by our Global Value team gathered $3.3 billion of net inflows comprised of $2.2 billion into the Global Value strategy and $1.1 billion into the Non-U.S. Value strategy. During the nine months ended September 30, 2013, our Emerging Markets strategy and U.S. Small-Cap Value strategy experienced net client cash outflows. For the nine months ended September 30, 2013, Artisan Funds and Artisan Global Funds had $5.6 billion of net inflows primarily sourced through our broker-dealer and financial advisor channels. Separate accounts had net client cash inflows of $75.6 million. Historically, we have observed that client activity tends to be higher in the first and fourth quarters of the calendar year, and lower in the second and third quarters. However, there can be no guarantee that past experience will be indicative of future activity.

We monitor the availability of attractive investment opportunities relative to the amount of assets we manage in each of our investment strategies. When appropriate, we will close a strategy to new investors or otherwise take action to slow or restrict its growth, even though our aggregate AUM may be negatively impacted in the short term. We may also re-open a strategy, widely or selectively, to fill available capacity or manage the diversification of our client base in that strategy. On August 2, 2013, we closed our U.S. Small-Cap Growth strategy to most new investors and clients relationships. The Small-Cap Growth strategy had net client cash inflows of $728.9 million for the nine months ended September 30, 2013.

The table below sets forth changes in our total AUM:

	For the Three Months Ended September 30,		Period-to-Period	
	2013	2012	$	%
	(unaudited; in millions)			
Beginning assets under management	$ 85,791	$ 64,072	$ 21,719	33.9 %
Gross client cash inflows	5,373	4,301	1,072	24.9 %
Gross client cash outflows	(3,276)	(2,789)	(487)	(17.5)%
Net client cash flows	2,097	1,512	585	38.7 %
Market appreciation (depreciation)	9,043	4,251	4,792	112.7 %
Ending assets under management	$ 96,931	$ 69,835	$ 27,096	38.8 %
Average assets under management	$ 92,385	$ 66,831	$ 25,554	38.2 %

	For the Nine Months Ended September 30,		Period-to-Period	
	2013	2012	$	%
	(unaudited; in millions)			
Beginning assets under management	$ 74,334	$ 57,104	$ 17,230	30.2 %
Gross client cash inflows	16,667	13,051	3,616	27.7 %
Gross client cash outflows	(10,970)	(8,781)	(2,189)	(24.9)%
Net client cash flows	5,697	4,270	1,427	33.4 %
Market appreciation (depreciation)	16,900	8,461	8,439	99.7 %
Ending assets under management	$ 96,931	$ 69,835	$ 27,096	38.8 %
Average assets under management	$ 85,683	$ 64,467	$ 21,216	32.9 %

The goal of our marketing, distribution and client services efforts is to establish and maintain a client base that is diversified by investment strategy, investment vehicle and distribution channel. As distribution channels have evolved to have more institutional-like decision making processes and longer-term investment horizons, we have expanded our distribution efforts into those areas. We have experienced strong growth in AUM through broker-dealers that have centralized the process for selecting which funds to offer to a relatively limited number of key decision-makers that exhibit institutional decision-making behavior, which we believe allows us to gain broad exposure to broker-dealer and private bank clients in a manner consistent with our marketing strategy.

The table below sets forth our AUM by distribution channel:

	As of September 30, 2013		As of September 30, 2012	
	$ in millions	% of total	$ in millions	% of total
	(unaudited)		(unaudited)	
Defined Contribution	$ 19,455	20.1%	$ 14,657	21.0%
Broker-Dealer	19,838	20.4%	12,253	17.5%
Financial Advisor	9,289	9.6%	6,260	9.0%
Institutional	43,010	44.4%	32,972	47.2%
Retail	5,339	5.5%	3,693	5.3%
Ending Assets Under Management[1]	$ 96,931	100.0%	$ 69,835	100.0%

[1] The allocation of AUM by distribution channel involves the use of estimates and the exercise of judgment.

The tables below set forth changes in our AUM by investment team:

	By Investment Team					
Three Months Ended	**Global Equity**	**U.S. Value**	**Growth**	**Global Value**	**Emerging Markets**	**Total**
September 30, 2013	(unaudited; in millions)					
Beginning assets under management	$ 22,189	$ 19,582	$ 17,766	$ 24,659	$ 1,595	$ 85,791
Gross client cash inflows	1,191	1,343	1,367	1,375	97	5,373
Gross client cash outflows	(848)	(953)	(808)	(594)	(73)	(3,276)
Net client cash flows	343	390	559	781	24	2,097
Market appreciation (depreciation)	2,229	1,449	2,719	2,536	110	9,043
Transfers	—	—	—	—	—	—
Ending assets under management	$ 24,761	$ 21,421	$ 21,044	$ 27,976	$ 1,729	$ 96,931
Average assets under management	$ 23,759	$ 20,671	$ 19,611	$ 26,664	$ 1,680	$ 92,385
September 30, 2012						
Beginning assets under management	$ 17,264	$ 16,157	$ 13,161	$ 14,901	$ 2,589	$ 64,072
Gross client cash inflows	1,187	657	762	1,523	172	4,301
Gross client cash outflows	(931)	(890)	(577)	(280)	(111)	(2,789)
Net client cash flows	256	(233)	185	1,243	61	1,512
Market appreciation (depreciation)	1,469	491	803	1,288	200	4,251
Transfers	—	—	—	—	—	—
Ending assets under management	$ 18,989	$ 16,415	$ 14,149	$ 17,432	$ 2,850	$ 69,835
Average assets under management	$ 18,275	$ 16,260	$ 13,689	$ 15,887	$ 2,720	$ 66,831

Nine Months Ended	By Investment Team: Global Equity	U.S. Value	Growth	Global Value	Emerging Markets	Total
September 30, 2013	(unaudited; in millions)					
Beginning assets under management	$ 20,092	$ 16,722	$ 14,692	$ 19,886	$ 2,942	$ 74,334
Gross client cash inflows	3,938	3,603	3,961	4,774	391	16,667
Gross client cash outflows	(2,930)	(2,923)	(2,168)	(1,442)	(1,507)	(10,970)
Net client cash flows	1,008	680	1,793	3,332	(1,116)	5,697
Market appreciation (depreciation)	3,661	4,019	4,559	4,758	(97)	16,900
Transfers	—	—	—	—	—	—
Ending assets under management	$ 24,761	$ 21,421	$ 21,044	$ 27,976	$ 1,729	$ 96,931
Average assets under management	$ 22,550	$ 19,396	$ 17,725	$ 24,257	$ 1,755	$ 85,683
September 30, 2012						
Beginning assets under management	$ 16,107	$ 15,059	$ 10,893	$ 12,546	$ 2,499	$ 57,104
Gross client cash inflows	2,815	2,962	3,204	3,623	447	13,051
Gross client cash outflows	(3,063)	(2,564)	(2,016)	(754)	(384)	(8,781)
Net client cash flows	(248)	398	1,188	2,869	63	4,270
Market appreciation (depreciation)	3,130	958	2,068	2,017	288	8,461
Transfers	—	—	—	—	—	—
Ending assets under management	$ 18,989	$ 16,415	$ 14,149	$ 17,432	$ 2,850	$ 69,835
Average assets under management	$ 17,780	$ 16,237	$ 13,162	$ 14,598	$ 2,690	$ 64,467

The following tables set forth the changes in our AUM for Artisan Funds, Artisan Global Funds and separate account clients:

Three Months Ended	Artisan Funds & Artisan Global Funds	Separate Accounts	Total
September 30, 2013	(unaudited; in millions)		
Beginning assets under management	$ 47,518	$ 38,273	$ 85,791
Gross client cash inflows	4,250	1,123	5,373
Gross client cash outflows	(2,329)	(947)	(3,276)
Net client cash flows	1,921	176	2,097
Market appreciation (depreciation)	5,061	3,982	9,043
Transfers	(11)	11	—
Ending assets under management	$ 54,489	$ 42,442	$ 96,931
Average assets under management	$ 51,572	$ 40,813	$ 92,385
September 30, 2012			
Beginning assets under management	$ 34,944	$ 29,128	$ 64,072
Gross client cash inflows	2,998	1,303	4,301
Gross client cash outflows	(2,035)	(754)	(2,789)
Net client cash flows	963	549	1,512
Market appreciation (depreciation)	2,153	2,098	4,251
Transfers	(331)	331	—
Ending assets under management	$ 37,729	$ 32,106	$ 69,835
Average assets under management	$ 36,297	$ 30,534	$ 66,831

Nine Months Ended	Artisan Funds & Artisan Global Funds	Separate Accounts	Total
September 30, 2013		(unaudited; in millions)	
Beginning assets under management	$ 39,603	$ 34,731	$ 74,334
Gross client cash inflows	12,601	4,066	16,667
Gross client cash outflows	(6,980)	(3,990)	(10,970)
Net client cash flows	5,621	76	5,697
Market appreciation (depreciation)	9,326	7,574	16,900
Transfers	(61)	61	—
Ending assets under management	$ 54,489	$ 42,442	$ 96,931
Average assets under management	$ 47,308	$ 38,375	$ 85,683
September 30, 2012			
Beginning assets under management	$ 30,843	$ 26,261	$ 57,104
Gross client cash inflows	9,131	3,920	13,051
Gross client cash outflows	(6,086)	(2,695)	(8,781)
Net client cash flows	3,045	1,225	4,270
Market appreciation (depreciation)	4,301	4,160	8,461
Transfers	(459)	459	—
Ending assets under management	$ 37,730	$ 32,105	$ 69,835
Average assets under management	$ 35,004	$ 29,463	$ 64,467

The table below sets forth the total AUM for each of our investment teams and strategies as of September 30, 2013, the inception date for each investment composite, and the value-added by each strategy over a multi-horizon time period as of September 30, 2013.

Investment Team and Strategy	Inception Date	Strategy AUM (in $MM)	Value-Added [1] (bps) 1 YR	3 YR	5 YR	10 YR	Inception
Global Equity Team		(unaudited; in millions)					
Non-U.S. Growth Strategy	1/1/1996	$22,989	87	591	438	302	668
Non-U.S. Small-Cap Growth Strategy	1/1/2002	$1,501	94	329	458	525	534
Global Equity Strategy	4/1/2010	$231	915	825	N/A	N/A	758
Global Small-Cap Growth Strategy	7/1/2013	$39	N/A	N/A	N/A	N/A	(587)
U.S. Value Team							
U.S. Mid-Cap Value Strategy	4/1/1999	$14,408	535	176	141	345	604
U.S. Small-Cap Value Strategy	6/1/1997	$4,362	(639)	(574)	(132)	230	490
Value Equity Strategy	7/1/2005	$2,652	(71)	(6)	92	N/A	110
Growth Team							
U.S. Mid-Cap Growth Strategy	4/1/1997	$15,882	524	396	502	257	653
U.S. Small-Cap Growth Strategy	4/1/1995	$2,696	391	759	656	215	127
Global Opportunities Strategy	2/1/2007	$2,429	492	837	743	N/A	704
Global Value Team							
Non-U.S. Value Strategy	7/1/2002	$15,643	839	842	816	655	743
Global Value Strategy	7/1/2007	$12,333	1,011	856	697	N/A	680
Emerging Markets Team							
Emerging Markets Strategy	7/1/2006	$1,729	(172)	(405)	(226)	N/A	(104)
Total Assets Under Management [2]		$96,931					

[1] Value-added is the amount in basis points by which the average annual gross composite return of each of our strategies has outperformed the market index most commonly used by our clients to compare the performance of the relevant strategy for the periods presented and since its inception date. The market indices used to compute the value added since inception date for each of our strategies are as follows: Non-U.S. Growth strategy—MSCI EAFE® Index; Non-U.S. Small-Cap Growth strategy—MSCI EAFE® Small Cap Index; Global Equity strategy—MSCI ACWI® Index; Global Small-Cap Growth strategy—MSCI ACWI® Small Cap Index; U.S. Small-Cap Value strategy—Russell 2000® Index; U.S. Mid-Cap Value strategy—Russell Midcap® Index; Value Equity strategy—Russell 1000® Index; U.S. Mid-Cap Growth strategy—Russell Midcap® Index; Global Opportunities strategy—MSCI ACWI® Index; U.S. Small-Cap Growth strategy—Russell 2000® Index; Non-U.S. Value strategy—MSCI EAFE® Index; Global Value strategy—MSCI ACWI® Index; Emerging Markets strategy—MSCI Emerging Markets IndexSM.

[2] Includes an additional $37.4 million in assets managed in a portfolio not currently made available to investors other than our employees to evaluate its potential viability as a strategy to be offered to clients.

Results of Operations

Three months ended September 30, 2013, Compared to Three months ended September 30, 2012

	For the For the Three Months Ended September 30,		For the Period-to-Period	
	2013	**2012**	**$**	**%**
Statements of operations data:	(unaudited; in millions, except per share data)			
Revenues	$ 178.0	$ 128.0	$ 50.0	39 %
Operating Expenses				
Total compensation and benefits	102.9	144.4	(41.5)	(29)%
Other operating expenses	21.7	21.8	(0.1)	— %
Total operating expenses	124.6	166.2	(41.6)	(25)%
Total operating income	53.4	(38.2)	91.6	240 %
Non-operating income (loss)				
Interest expense	(2.9)	(2.9)	—	— %
Other non-operating income	12.4	5.4	7.0	130 %
Total non-operating income (loss)	9.5	2.5	7.0	280 %
Income before income taxes	62.9	(35.7)	98.6	276 %
Provision for income taxes	6.8	0.2	6.6	3,300 %
Net income before noncontrolling interests	56.1	(35.9)	92.0	256 %
Less: Noncontrolling interests - Artisan Partners Holdings	44.6	(42.9)	87.5	204 %
Less: Noncontrolling interests - Launch Equity	5.5	7.0	(1.5)	(21)%
Net income attributable to Artisan Partners Asset Management Inc.	$ 6.0	$ —	$ 6.0	— %
Per Share Data				
Net income available to Class A common stock per basic share	$ 0.42			
Net income available to Class A common stock per diluted share	$ 0.35			
Weighted average basic shares of Class A common stock outstanding	12,728,949			
Weighted average diluted shares of Class A common stock outstanding	15,294,412			

Revenues

Our revenues consist of investment management fees earned from managing clients' assets. Our investment management fees fluctuate based on a number of factors, including the total value of our AUM, the composition of AUM among both our investment vehicles (including pooled vehicles available to U.S. investors, pooled vehicles available to non-U.S. investors and separate accounts) and our investment strategies (which have different fee rates), changes in the investment management fee rates on our products, the extent to which we enter into fee arrangements that differ from our standard fee schedules, which can be affected by custom and the competitive landscape in the relevant market, and for the few accounts on which we earn performance-based fees, the investment performance of those accounts relative to their designated benchmarks.

The increase in revenues of $50.0 million, or 39%, for the three months ended September 30, 2013, compared to the three months ended September 30, 2012, was driven primarily by a $25.6 billion, or 38.2%, increase in our average AUM. The increase in our average AUM was primarily attributable to net client cash inflows and market appreciation between September 30, 2012 and September 30, 2013. Market appreciation was $9.0 billion for the three months ended September 30, 2013 compared to $4.3 billion of market appreciation for the three months ended September 30, 2012. During the three months ended September 30, 2013, our net client cash inflows were $2.1 billion, which was an increase of $0.6 billion compared to the three months ended September 30, 2012.

Our weighted average investment management fee remained consistent at 76 basis points for the three months ended September 30, 2013 and 2012. The weighted average fee represents annualized investment management fees as a percentage of average assets under management for the applicable period (i.e., the amount of investment management fees we earn for each dollar of assets we manage). Separate accounts, including U.S-registered mutual funds, non-U.S. funds and collective investment trusts we sub-advise, paid a weighted average fee of 55 basis points and 56 basis points for the three months ended September 30, 2013 and 2012, respectively. These assets represented 44% and 46% of our total AUM as of September 30, 2013 and 2012, respectively. Taken together, the assets of Artisan Funds and Artisan Global Funds, to which we provide services in addition to the services we provide to separate account clients, paid a weighted average fee of 94 basis points for the three months ended September 30, 2013 and 2012. These assets represented 56% and 54% of our AUM as of September 30, 2013 and 2012, respectively.

For the three months ended September 30, 2013 and 2012, fees from separate accounts, including U.S.-registered mutual funds, non-U.S. funds and collective investment trusts we sub-advise, represented $56.7 million and $42.6 million of our revenues, respectively. For the three months ended September 30, 2013 and 2012, fees from Artisan Funds represented $118.8 million and $84.6 million of our revenues, respectively, and fees from Artisan Global Funds represented $2.5 million and $0.8 million of our revenues, respectively.

Operating Expenses

The decrease in total operating expenses of $41.6 million for the three months ended September 30, 2013, compared to the three months ended September 30, 2012 was primarily attributable to a decrease in compensation and benefits expense of $41.5 million, or 29%.

Compensation and Benefits

	For the Three Months Ended September 30,		Period-to-Period	
	2013	**2012**	**$**	**%**
	(unaudited; in millions)			
Salaries, incentive compensation and benefits [1]	$ 76.1	$ 56.4	$ 19.7	35 %
Restricted share compensation expense	3.4	—	3.4	— %
Total salaries, incentive compensation and benefits	79.5	56.4	23.1	41 %
Change in value of Class B liability awards	—	56.0	(56.0)	(100)%
Amortization expense on pre-offering Class B awards	23.4	—	23.4	— %
Pre-offering related compensation - share-based awards	23.4	56.0	(32.6)	(58)%
Distributions on Class B liability awards	—	32.0	(32.0)	(100)%
Pre-offering related compensation - other	—	32.0	(32.0)	(100)%
Total compensation and benefits	**$ 102.9**	**$ 144.4**	**$ (41.5)**	(29)%

[1] Excluding share-based compensation

The increase in salaries, incentive compensation, and benefits was driven primarily by accrued incentive compensation expense for our investment and marketing professionals. Cash incentive compensation is directly linked to our revenues and increased by $14.0 million as a result of higher investment management fee revenue during the three months ended September 30, 2013 as compared to the three months ended September 30, 2012. In addition, compared to the third quarter of 2012, incentive compensation expense related to a special incentive compensation plan for certain portfolio managers increased by $0.8 million to $3.2 million as the market value of the incentive compensation plan increased with improvement in the global equity markets. This incentive compensation plan provides certain portfolio managers with additional cash compensation over a three-year period (ending on December 31, 2013) based on the then-current value of shares of mutual funds managed by those portfolio managers. As of September 30, 2013, the unrealized gain of the incentive compensation plan assets was $4.2 million. We expect the majority of these assets to be sold in the fourth quarter, and the corresponding realized gain or loss will be recognized in earnings.

On July 17, 2013, our board of directors approved the issuance of 1,575,157 restricted shares of Class A common stock to our employees and employees of our subsidiaries. In general, these awards will vest pro rata in the third fiscal quarter of each of the next five years. Total compensation expense associated with these awards is expected to be approximately $79.2 million, which will be recognized over the five-year vesting period. Compensation expense related to the restricted shares was $3.4 million for the three months ended September 30, 2013. The remaining increase in salaries, incentive compensation and benefits expense was driven mainly by increased headcount and increased discretionary incentive compensation expense between 2012 and 2013.

Salaries, incentive compensation and benefits increased from 44% of our revenues for the three months ended September 30, 2012 to 45% of our revenues for the three months ended September 30, 2013.

Pre-offering related share-based compensation expense decreased $32.6 million for the three months ended September 30, 2013, compared to the three months ended September 30, 2012, as a result of a change in accounting for share based awards. Prior to the IPO Reorganization in March 2013, our Class B share-based awards were classified as liabilities. As part of the IPO Reorganization, we amended the Class B share-based grant agreements to eliminate the cash redemption feature of those awards. For the three months ended September 30, 2012 we recognized $56.0 million in compensation expense to record the liability awards at fair value. Compensation expense for these awards of $23.4 million for the three months ended September 30, 2013 represents the amortization of the fair value of the awards at the time of the IPO over the remaining vesting term.

Pre-offering related other compensation decreased $32.0 million for the three months ended September 30, 2013 compared to the three months ended September 30, 2012. During the three months ended September 30, 2012 we recognized $32.0 million in compensation expense related to distributions of the retained earnings of Holdings made to our employee-partners. The underlying awards reverted to equity treatment at the IPO date, so subsequent to that date we no longer recognize distributions as compensation expense.

Other operating expenses

Other operating expenses decreased $0.1 million for the three months ended September 30, 2013 compared to the three months ended September 30, 2012. The $2.9 million increase in distribution and marketing expenses related to higher average AUM and revenues was offset by a decrease in general and administrative expenses, primarily because we recognized expenses in August 2012 in connection with the resolution of a lawsuit.

Non-Operating Income (Loss)

The increase in non-operating income of $7.0 million for the three months ended September 30, 2013, compared to the three months ended September 30, 2012, was primarily due to a $6.9 million gain on the valuation of contingent value rights recognized during the three months ended September 30, 2013. Non-operating income for the three months ended September 30, 2012 included a $0.8 million loss on debt extinguishment and $0.8 million in debt issuance costs. These increases were partially offset by a $1.5 million decrease in the gains of Launch Equity. The loss on debt extinguishment and debt issuance costs relate to the refinancing of the term loan as Artisan Partners Holdings entered into a $100 million five-year revolving credit agreement and issued $200 million in unsecured notes in August 2012.

As discussed in Note 7, "Derivative Instruments", to the Unaudited Consolidated Financial Statements included in Part I of this report, the price of our Class A common stock is one of the key variables used to determine the fair value of our CVR liability. As such, the gain on CVR was the result of an increase in our stock price from $49.91 per share at June 30, 2013 to the closing price of $52.36 per share at September 30, 2013. As a derivative liability, all changes in the fair value of this liability are recorded to current earnings.

Gains of Launch Equity represent net realized and unrealized gains of the underlying assets of Launch Equity. Nearly all gains are allocable to, and are offset by, net income (loss) attributable to noncontrolling interests - Launch Equity.

Provision for Income Taxes

The increase in provision for income taxes represents APAM's U.S. federal and state income tax on its allocable portion of the income of Holdings. APAM's effective income tax rate for the three months ended September 30, 2013 was 10.8%. Several factors contribute to the effective tax rate, including a rate benefit attributable to the fact that approximately 76% of Holdings' earnings for the period were not subject to corporate-level taxes. Income (loss) before income taxes includes amounts that are passed through to unit holders of Artisan Partners Holdings and noncontrolling interest and is not taxable to Artisan Partners Holdings and its subsidiaries, which reduces the effective tax rate. This favorable impact is partially offset by the impact of certain permanent items, primarily attributable to pre-IPO share-based compensation expenses that are not deductible for tax purposes. These factors are expected to continue to impact the effective tax rate for future years, although as our ownership in Artisan Partners Holdings increases, the effective tax rate will likewise increase as more income will be subject to corporate-level taxes.

Prior to our IPO and reorganization in March 2013, none of Holdings' earnings were subject to U.S. corporate-level taxes. The provision for income taxes in 2012 represents foreign income taxes of certain foreign corporate subsidiaries.

Nine months ended September 30, 2013, Compared to Nine months ended September 30, 2012

	For the For the Nine Months Ended September 30,		For the Period-to-Period	
	2013	2012	$	%
Statements of operations data:	(unaudited; in millions, except per share data)			
Revenues	$ 488.2	$ 368.5	$ 119.7	32 %
Operating Expenses				
Total compensation and benefits	744.9	305.5	439.4	144 %
Other operating expenses	62.9	55.3	7.6	14 %
Total operating expenses	807.8	360.8	447.0	124 %
Total operating income	(319.6)	7.7	(327.3)	(4,251)%
Non-operating income (loss)				
Interest expense	(9.0)	(8.1)	(0.9)	(11)%
Other non-operating income	49.4	6.8	42.6	626 %
Total non-operating income (loss)	40.4	(1.3)	41.7	3,208 %
Income before income taxes	(279.2)	6.4	(285.6)	(4,463)%
Provision for income taxes	17.1	0.8	16.3	2,038 %
Net income before noncontrolling interests	(296.3)	5.6	(301.9)	(5,391)%
Less: Noncontrolling interests - Artisan Partners Holdings	(320.1)	(2.9)	(317.2)	(10,938)%
Less: Noncontrolling interests - Launch Equity	9.1	8.5	0.6	7 %
Net income attributable to Artisan Partners Asset Management Inc.	$ 14.7	$ —	$ 14.7	— %
Per Share Data				
Net income available to Class A common stock per basic share	$ 0.97			
Net income available to Class A common stock per diluted share	$ 0.90			
Weighted average basic shares of Class A common stock outstanding	12,728,949			
Weighted average diluted shares of Class A common stock outstanding	15,294,412			

Revenues

The increase in revenues of $119.7 million, or 32%, for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012, was driven primarily by a $21.2 billion, or 32.9%, increase in our average AUM. The increase in our average AUM was primarily attributable to net client cash inflows and market appreciation between September 30, 2012 and September 30, 2013. Market appreciation was $16.9 billion for the nine months ended September 30, 2013 compared to $8.5 billion of market appreciation for the nine months ended September 30, 2012. During the nine months ended September 30, 2013, our net client cash inflows were $5.7 billion, compared to net client cash inflows of $4.3 billion for the nine months ended September 30, 2012.

Our weighted average investment management fee remained consistent at 76 basis points for the nine months ended September 30, 2013 and 2012. Separate accounts, including U.S.-registered mutual funds, non-U.S. funds and collective investment trusts we sub-advise, in the aggregate paid a weighted average fee of 55 basis points and 56 basis points for the nine months ended September 30, 2013 and 2012, respectively. Artisan Funds and Artisan Global Funds, to which we provide services in addition to the services we provide to separate account clients, paid in the aggregate a weighted average fee of 94 basis points for the nine months ended September 30, 2013 and 2012.

For the nine months ended September 30, 2013 and 2012, fees from separate accounts, including U.S.-registered mutual funds, non-U.S. funds and collective investment trusts we sub-advise, represented $157.7 million and $122.8 million of our revenues, respectively. For the nine months ended September 30, 2013 and 2012, fees from Artisan Funds represented $324.5 million and

$243.7 million of our revenues, respectively, and fees from Artisan Global Funds represented $6.0 million and $2.0 million of our revenues, respectively.

Operating Expenses

The increase in total operating expenses of $447.0 million for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012, was primarily attributable to an increase in compensation and benefits expense of $439.4 million, or 144%.

Compensation and Benefits

	For the Nine Months Ended September 30,		Period-to-Period	
	2013	2012	$	%
	(unaudited; in millions)			
Salaries, incentive compensation and benefits [1]	$ 218.0	$ 165.7	52.3	32 %
Restricted share compensation expense	3.4	—	3.4	— %
Total salaries, incentive compensation and benefits	221.4	165.7	55.7	34 %
Change in value of Class B liability awards	41.9	85.9	(44.0)	(51)%
Class B award modification expense	287.3	—	287.3	— %
Amortization expense on pre-offering Class B awards	51.3	—	51.3	— %
Pre-offering related compensation - share-based awards	380.5	85.9	294.6	343 %
Pre-offering related cash incentive compensation	56.8	—	56.8	— %
Pre-offering related bonus make-whole compensation	20.5	—	20.5	— %
Distributions on Class B liability awards	65.7	53.9	11.8	22 %
Pre-offering related compensation - other	143.0	53.9	89.1	165 %
Total compensation and benefits	**$ 744.9**	**$ 305.5**	**$ 439.4**	144 %

[1] Excluding share-based compensation

The increase in salaries, incentive compensation, and benefits was driven primarily by accrued cash incentive compensation expense for our investment and marketing professionals. That compensation is directly linked to our revenues and increased by $34.0 million as a result of higher investment management fee revenue during the nine months ended September 30, 2013 as compared to the nine months ended September 30, 2012. In addition, compared to the nine months ended September 30, 2012, incentive compensation expense related to a special incentive compensation plan for certain portfolio managers increased by $2.4 million to $8.6 million as the market value of the incentive compensation plan increased with improvement in the global equity markets. This incentive compensation plan provides certain portfolio managers with additional cash compensation over a three-year period (ending on December 31, 2013) based on the then-current value of shares of mutual funds managed by those portfolio managers. Severance expenses increased by $5.8 million for the nine months ended September 30, 2013 as compared to the nine months ended September 30, 2012. As previously discussed, on July 17, 2013, our board of directors approved the issuance of restricted shares of Class A common stock to our employees and employees of our subsidiaries. Compensation expense recognized related to the restricted shares was $3.4 million for the nine months ended September 30, 2013. The remaining increase in salaries, incentive compensation and benefits expense was driven mainly by increased headcount and increased discretionary incentive compensation expense between 2012 and 2013. Salaries, incentive compensation and benefits as a percentage of revenues remained consistent at 45% of our revenues for the nine months ended September 30, 2013 and 2012. Included in salaries, incentive compensation and benefits was the special incentive compensation plan and severance expenses of $15.2 million and $7.1 million for the nine months ended September 30, 2013 and 2012, respectively.

Pre-offering related share-based compensation expense increased $294.6 million for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012. Prior to the IPO Reorganization, our Class B share-based awards were classified as liabilities. As part of the IPO Reorganization, we amended the Class B share-based grant agreements to eliminate the cash redemption feature of the awards. From January 1, 2013, through the date of the IPO Reorganization, we incurred a $41.9 million compensation charge to record the liability awards at fair value. Immediately after the amendment of the grant agreements, we incurred a $287.3 million compensation charge as a result of the award modification. Compensation expense for these awards after the IPO Reorganization represents the amortization of the fair value of unvested awards at the date of the IPO Reorganization over the remaining vesting term.

Pre-offering related other compensation increased $89.1 million for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012. During the nine months ended September 30, 2013 we recognized $56.8 million in compensation expense related to a cash incentive paid to certain of our portfolio managers in connection with the IPO, $65.7 million in compensation expense related to distributions of the retained earnings of Holdings made to our pre-IPO employee-partners, and $20.5 million in compensation expense representing profits after the IPO otherwise allocable and distributable, in the aggregate, to Artisan Partners Holdings' pre-IPO non-employee partners which was instead allocated and will be distributed to certain of our employee-partners. Compensation expense recognized for distributions of the retained earnings of Holdings made to our pre-IPO partners totaled $53.9 million for the nine months ended September 30, 2012.

Other operating expenses

Other operating expenses increased $7.6 million, or 14% for the nine months ended September 30, 2012 to the nine months ended September 30, 2013. The increase is a result of a $5.7 million increase in distribution and marketing expense related to higher average AUM and revenues, and an increase in general and administrative expenses related to the IPO Reorganization and IPO. Those increases were partially offset by a decrease in general and administrative expenses, primarily because we recognized expenses in August 2012 in connection with the resolution of a lawsuit.

Non-Operating Income (Loss)

The increase in non-operating income of $41.7 million for the nine months ended September 30, 2013, compared to the nine months ended September 30, 2012, was primarily due to a $40.3 million gain on the valuation of contingent value rights during the nine months ended September 30, 2013. Non-operating income for the nine months ended September 30, 2012 included a $0.8 million loss on debt extinguishment and $0.8 million in debt issuance costs recognized as a result of the debt refinance in August 2012.

As discussed in Note 7, "Derivative Instruments", to the Unaudited Consolidated Financial Statements included in Part I of this report, the price of our Class A common stock is one of the key variables used to determine the fair value of the CVR liability. As such, the gain on CVR was the result of a significant increase in our stock price from the $30.00 per share IPO price utilized in determining the initial fair value of the CVR liability to the closing price of $52.36 per share at September 30, 2013. As a derivative liability, all changes in the fair value of this liability are recorded to current earnings.

Gains of Launch Equity represent net realized and unrealized gains of the underlying assets of Launch Equity. Nearly all gains are allocable to, and offset by, net income (loss) attributable to noncontrolling interests - Launch Equity.

Interest expense increased as a result of higher interest rates paid on our unsecured notes when compared to the Term Loan agreement (as described in Note 6, "Borrowings", to the Unaudited Consolidated Financial Statement included in Part I of this report).

Provision for Income Taxes

The increase in provision for income taxes represents APAM's U.S. federal and state income tax on its allocable portion of the income of Holdings. APAM's effective income tax rate for the period from March 12, 2013 through September 30, 2013 was 11.0%. Several factors contribute to the effective tax rate, including a rate benefit attributable to the fact that approximately 76% of Holdings' earnings for the period were not subject to corporate-level taxes. Income (loss) before income taxes includes amounts that are passed through to unit holders of Artisan Partners Holdings and noncontrolling interest and is not taxable to Artisan Partners Holdings and its subsidiaries, which reduces the effective tax rate. This favorable impact is partially offset by the impact of certain permanent items, primarily attributable to pre-IPO share-based compensation expenses that are not deductible for tax purposes. These factors are expected to continue to impact the effective tax rate for future years, although as our ownership in Artisan Partners Holdings increases, the effective tax rate will likewise increase as more income will be subject to corporate-level taxes.

Prior to our IPO and reorganization in March 2013, none of Holdings' earnings were subject to U.S. corporate-level taxes. The provision for income taxes in 2012 represents foreign income taxes of certain foreign corporate subsidiaries.

Supplemental Non-GAAP Financial Information

Our management uses non-GAAP measures (referred to as "adjusted" measures) of net income and operating income to evaluate the profitability and efficiency of the underlying operations of our business and as a factor when considering net income available for distributions and dividends. These adjusted measures remove the impact of (1) pre-offering related compensation (as described below), (2) offering related proxy expense (as described below), (3) the net gain (loss) on the valuation of contingent value rights, and (4) adjustments to remove the non-operational complexities of our structure by adding back non-controlling interests and assuming all income of Artisan Partners Holdings is allocated to us. Management believes these non-GAAP measures provide more meaningful information to analyze our profitability and efficiency between periods and over time. We have included these non-GAAP measures to provide investors with the same financial metrics used by management to manage the company.

Non-GAAP measures should be considered in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP. Our non-GAAP measures may differ from similar measures used by other companies, even if similar terms are used to identify such measures. Our non-GAAP measures are as follows:

- Adjusted net income represents net income excluding the impact of (1) pre-offering related compensation, as defined below, (2) offering related proxy expense and (3) net gain (loss) on the valuation of contingent value rights, and reflects income taxes as if all outstanding limited partnership units of Artisan Partners Holdings and all shares of our convertible preferred stock were exchanged for or converted into shares of our Class A common stock on a one-for-one basis. Assuming the full exchange and conversion, all income of Artisan Partners Holdings is treated as if it were allocated to us, and the adjusted provision for income taxes represents an estimate of income tax expense at an effective rate of 35.8%, reflecting assumed federal, state, and local income taxes.

- Adjusted net income per adjusted share is calculated by dividing adjusted net income (loss) by adjusted shares. The number of adjusted shares is derived by assuming the vesting of all unvested shares of Class A common stock, the exchange of all outstanding limited partnership units of Artisan Partners Holdings and the conversion of all outstanding shares of our convertible preferred stock for or into shares of our Class A common stock on a one-for-one basis.

- Adjusted operating income represents the operating income (loss) of the consolidated company excluding offering related proxy expense and pre-offering related compensation, each as defined below.

- Adjusted operating margin is calculated by dividing adjusted operating income (loss) by total revenues.

- Adjusted EBITDA represents income (loss) before income taxes, interest expense and depreciation and amortization, adjusted to exclude the impact of net income (loss) attributable to non-controlling interests, offering related proxy expense, pre-offering related compensation, each as defined below, and the net gain (loss) on the valuation of contingent value rights.

- For the three months ended September 30, 2013, pre-offering related compensation includes the amortization of unvested Class B common units of Artisan Partner Holdings that were granted prior to our IPO, which closed on March 12, 2013. For the nine months ended September 30, 2013, pre-offering related compensation includes (1) expense resulting from cash incentive compensation payments triggered by our IPO and expense associated with the reallocation of post-IPO profits from certain pre-IPO partners to employee-partners, (2) one-time expense, resulting from the modification of the Class B common unit awards at the time of our IPO, based on the difference between the carrying value of the liability associated with the vested Class B common units immediately prior to our IPO and the value based on the offering price per share of Class A common stock in our IPO, (3) the amortization of unvested Class B common units of Artisan Partners Holdings that were granted prior to our IPO and (4) the elements listed in the following sentence. For the three months ended September 30, 2012 and the nine months ended September 30, 2013 and 2012, pre-offering related compensation includes (1) distributions to the Class B partners of Artisan Partners Holdings, (2) redemptions of Class B common units and (3) changes in the value of Class B liability awards, in each case occurring during the respective period.

- For the three and nine months ended September 30, 2013, offering related proxy expenses include costs incurred as a result of the change of control (for purposes of the Investment Company Act and Investment Advisers Act) that we expect will occur no later than March 12, 2014 (which is the first anniversary of the completion of our IPO). Upon the change of control, we can continue to act as adviser to any SEC-registered mutual fund only if the fund's board and shareholders approve a new investment advisory agreement, except in the case of certain sub-advised funds for which only board approval is necessary. In addition, each of the investment advisory agreements for the separate accounts we manage provides that it may not be assigned (including an assignment by virtue of a change of control) without consent of the client. We have incurred and expect to continue to incur through the first quarter of 2014 costs to solicit the necessary approvals and consents from the boards and shareholders of the mutual funds that we advise or sub-advise and from our separate account clients.

The following table sets forth, for the periods indicated, a reconciliation from GAAP financial measures to non-GAAP measures:

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2013	2012	2013	2012
	(unaudited; in millions, except per share data)			
Reconciliation of non-GAAP financial measures:				
Net income attributable to Artisan Partners Asset Management Inc. (GAAP)	**$ 6.0**	**$ —**	**$ 14.7**	**$ —**
Add back: Net income (loss) attributable to noncontrolling interests - Artisan Partners Holdings	44.6	(42.9)	(320.1)	(2.9)
Add back: Provision for income taxes	6.8	0.2	17.1	0.8
Add back: Pre-offering related compensation - share-based awards	23.4	56.0	380.5	85.9
Add back: Pre-offering related compensation - other	—	32.0	143.0	53.9
Add back: Offering related proxy expense	0.3	—	0.3	—
Less: Net gain on the valuation of contingent value rights	6.9	—	40.3	—
Less: Adjusted provision for income taxes	26.6	16.2	69.9	49.3
Adjusted net income (Non-GAAP)	**$ 47.6**	**$ 29.1**	**$ 125.3**	**$ 88.4**
Average shares outstanding				
Class A common shares	12.7	—	12.7	—
Assumed vesting, conversion or exchange of:				
Class A unvested restricted shares	1.3		0.6	
Convertible preferred shares outstanding	2.6	—	2.6	—
Artisan Partners Holdings units outstanding (noncontrolling interest)	54.6	—	54.7	—
Adjusted shares	**71.2**	**N/A**	**70.6**	**N/A**
Adjusted net income per adjusted share (Non-GAAP)	**$ 0.67**	**N/A**	**$ 1.77**	**N/A**
Operating income (loss) (GAAP)	**$ 53.4**	**$ (38.2)**	**$ (319.6)**	**$ 7.7**
Add back: Pre-offering related compensation - share-based awards	23.4	56.0	380.5	85.9
Add back: Pre-offering related compensation - other	—	32.0	143.0	53.9
Add back: Offering related proxy expense	0.3	—	0.3	—
Adjusted operating income (Non-GAAP)	**$ 77.1**	**$ 49.8**	**$ 204.2**	**$ 147.5**
Adjusted operating margin (Non-GAAP)	**43.3%**	**38.9%**	**41.8%**	**40.0%**
Net income attributable to Artisan Partners Asset Management Inc. (GAAP)	**$ 6.0**	**$ —**	**$ 14.7**	**$ —**
Add back: Net income (loss) attributable to noncontrolling interests - Artisan Partners Holdings	44.6	(42.9)	(320.1)	(2.9)
Add back: Pre-offering related compensation - share-based awards	23.4	56.0	380.5	85.9
Add back: Pre-offering related compensation - other	—	32.0	143.0	53.9
Add back: Offering related proxy expense	0.3	—	0.3	—
Less: Net gain on the valuation of contingent value rights	6.9	—	40.3	—
Add back: Interest expense	2.9	2.9	9.0	8.1
Add back: Provision for income taxes	6.8	0.2	17.1	0.8
Add back: Depreciation and amortization	0.8	0.6	2.3	1.7
Adjusted EBITDA (Non-GAAP)	**$ 77.9**	**$ 48.8**	**$ 206.5**	**$ 147.5**

Liquidity and Capital Resources

Our working capital needs have been and are expected to be met primarily through cash generated by our operations. The following table shows our liquidity position as of September 30, 2013 and December 31, 2012. The data presented excludes Launch Equity's cash and cash equivalents and accounts receivable as these assets are not sources of liquidity for us.

	September 30, 2013	December 31, 2012
	(unaudited)	
	(dollars in millions)	
Cash and cash equivalents	$ 275.9	$ 141.2
Accounts receivable	$ 59.4	$ 46.0
Undrawn commitment on revolving credit facility	$ 100.0	$ 10.0

We manage our cash balances in order to fund our day-to-day operations. Accounts receivable primarily represent investment management fees that have been earned, but not yet received from our clients. We perform a review of our receivables on a monthly basis to assess collectability. We also maintain a $100.0 million revolving credit facility, which is currently unused.

In August 2012, we issued $200.0 million in unsecured notes and entered into the $100.0 million five-year revolving credit facility. We used the proceeds of the notes and $90.0 million drawn from the revolving credit facility to prepay the entire then-outstanding principal amount of our Term Loan. The notes are comprised of three series, each with a balloon payment at maturity. In connection with the IPO, we paid all of the $90.0 million outstanding principal amount of loans under the revolving credit facility.

These borrowings contain various restrictive covenants. Our failure to comply with any of the covenants could result in an event of default under the agreements, giving our lenders the ability to accelerate repayment of our obligations.

Historically, we distributed substantially all of our profits to our partners. In connection with the IPO, we made a cash incentive compensation payment of approximately $56.8 million to certain of our portfolio managers and distributed to our pre-IPO partners all of our retained profits as of the date of the closing of the IPO. During the third quarter of 2013, Artisan Partners Holdings distributed $39.4 million for income taxes as required under its partnership agreement to holders of its partnership units, including APAM. On August 22, 2013, Artisan Partners Holdings paid a distribution of $19.1 million to holders of its partnership units, including us. On August 26, 2013, APAM paid a $0.43 per share dividend to shareholders of Class A common stock of record as of August 12, 2013. On October 22, 2013, our board of directors declared a distribution from Artisan Partners Holdings of $21.4 million, payable on November 22, 2013, and a dividend from APAM of $0.43 per share, payable on November 26, 2013, to shareholders of Class A common stock of record as of November 11, 2013.

In future periods, we anticipate that we will distribute a significant portion of our profits to our equity holders. We intend to continue to pay quarterly cash dividends and to consider each year the payment of an additional special dividend. Subject to the sole discretion of our board of directors, we currently expect to pay a quarterly and a special dividend in the first quarter of 2014. We expect the aggregate amount of Holdings' distribution and APAM's dividend in the first quarter of 2014 to approximately equal the amount of excess cash on our balance sheet at the time our board declares the distribution and dividend. We expect to calculate excess cash by subtracting the amount of cash we need for working capital (primarily netting accounts receivables with accrued incentive compensation and accounts payable) and an additional $100 million from cash on hand at the time.

In addition to funding our normal operations, we will be required to fund amounts payable by us under the TRAs that we entered into in connection with the IPO.

Tax Receivable Agreements ("TRAs")

In connection with the IPO, APAM entered into two TRAs, which resulted in recognition of a $54.0 million liability. The $54.0 million liability represents 85% of the tax benefits we expect to realize from the H&F Corp Merger and our purchase of Class A units in connection with the IPO, assuming no material changes in the relevant tax law and that we earn sufficient taxable income to realize all tax benefits subject to the TRAs. The liability will increase upon redemptions of Holdings units or exchanges of Holdings units for our Class A common stock or convertible preferred stock, with the increase representing 85% of the estimated future tax benefits, if any, resulting from the redemptions or exchanges. We intend to fund the payment of amounts due under the TRAs out of the cash savings that APAM actually realizes in respect of the attributes to which the TRAs relate. The actual payments, and associated tax benefits, will vary depending upon a number of factors, including the timing of exchanges by the holders of Holdings units, the price of our Class A common stock or the value of our convertible preferred stock, as the case may be, at the time of the redemption or exchange, the extent to which such redemptions or exchanges are taxable, the amount and timing of the taxable income we generate in the future and the tax rate then applicable as well as the portion of our payments

under the TRAs constituting imputed interest or depreciable or amortizable basis. In certain cases, payments under the TRAs may be accelerated and/or significantly exceed the actual benefits we realize in respect of the tax attributes subject to the TRAs. In such cases, we intend to fund those payments with cash on hand, although we may have to borrow funds depending on the amount and timing of the payments.

Contingent Value Rights ("CVRs")

In connection with the IPO, Holdings issued Partnership CVRs and APAM issued Public Company CVRs to the holders of Holdings preferred units and APAM convertible preferred stock, respectively. APAM was issued one Partnership CVR for each Public Company CVR outstanding. The CVRs were terminated on November 6, 2013. Prior to their termination, the CVRs may have required us to make a cash payment to the holders thereof on July 11, 2016, or, if earlier, five business days after the effective date of a change of control of Artisan. The amount of any required payment would have depended on the average of the daily VWAP of our Class A common stock over the 60 consecutive trading days prior to July 3, 2016 or the effective date of an earlier change of control and any proceeds realized by the holders of the CVRs with respect to their equity interests in us, subject to a maximum aggregate payment of $100.0 million for all CVRs. The CVRs would have terminated without a payment before that date if the average of the daily VWAP of our Class A common stock over any period of 60 consecutive trading days, beginning no earlier than June 12, 2014, is at least $43.11 divided by the then-applicable conversion rate applicable to the convertible preferred stock.

Cash Flows

	For the For the Nine Months Ended September 30,	
	2013	**2012**
	(unaudited; in millions)	
Cash as of January 1	$ 141.2	$ 127.0
Net cash provided by (used in) operating activities	117.8	138.4
Net cash provided by (used in) investing activities	(7.0)	(2.7)
Net cash provided by (used in) financing activities	23.9	(106.6)
Cash as of September 30	$ 275.9	$ 156.1

Operating activities consist of net income before noncontrolling interests subject to adjustments for accounts payable and accrued expenses, Class B liability awards, accounts receivable, share-based compensation, depreciation and amortization and other items. Operating activities provided $117.8 million and $138.4 million of net cash for the nine months ended September 30, 2013 and 2012, respectively. The decrease in net cash provided by operating activities was primarily driven by increased operating expenses associated with the IPO and IPO Reorganization.

For the nine months ended September 30, 2013, net loss before noncontrolling interests of $296.3 million included noncash share-based compensation expense of $401.0 million and a $40.4 million noncash gain recognized on the change in value of the CVRs. Also included in cash provided by operating activities was the benefit of accrued incentive compensation of $76.6 million that had not yet been paid. Incentive payments related to revenues are generally paid one quarter after being earned and bonus payment for the executive and administrative groups are paid in the fourth quarter of the year. Other changes in working capital used net operating cash of $19.7 million.

For the nine months ended September 30, 2012, cash provided by operating activities was driven by net income before noncontrolling interests of $5.6 million and a $62.9 million increase in accounts payable and accrued expenses primarily as a result of the timing of incentive compensation payments as discussed above. In addition, there was a $86.2 million increase in our Class B liability awards as a result of recording the change in fair value of the Class B share-based awards. Other changes in working capital used net operating cash of $6.3 million.

Transactions associated with Launch Equity used operating cash of $3.2 million and $4.6 million during the nine months ended September 30, 2013, and 2012, respectively. Nearly all of Launch Equity's cash flows are attributable to non-controlling interests.

Investing activities consist primarily of acquiring and selling property and equipment, leasehold improvements and the purchase and sale of available-for-sale securities. Investing activities used $7.0 million and $2.7 million of net cash for the nine months ended September 30, 2013 and 2012, respectively. The increase in net cash used in investing activities was primarily due to our $5.0 million available-for-sale investments during 2013 to provide seed capital for our new Artisan Global Small-Cap Fund and two UCITS funds. We did not make any available-for-sale investments during the nine months ended September 30, 2012.

Financing activities consist primarily of partnership distributions to non-employee partners, payments of principal on our revolving credit arrangement, proceeds from the issuance of Class A common stock in the IPO, and payments to purchase Class A common units in connection with the IPO. Financing activities provided $23.9 million and used $106.6 million of net cash for the nine months ended September 30, 2013 and 2012, respectively. This increase in net cash provided by financing activities was primarily the result of net proceeds of $353.4 million from the IPO. The cash provided by the IPO was offset by a $160.1 million profits distribution to our employees and non-employee partners, a $90.0 million payment of principal outstanding under our revolving credit arrangement a payment of $76.3 million in connection with the IPO to purchase Class A common units from certain of our initial investors and $6.1 million in dividends paid to shareholders of APAM's Class A common stock. Our financing activities during the nine months ended September 30, 2012, consisted of a $72.9 million profits distribution to our non-employee partners, $324.8 million of principal payments made on our note payable, partially offset by $200.0 million in proceeds received from the issuance of unsecured notes and $90.0 million drawn from the revolving credit facility.

Launch Equity's limited partners contributed $3.2 million and $5.0 million of additional capital to Launch Equity during the nine months ended September 30, 2013 and 2012, respectively. Nearly all of Launch Equity's capital is attributable to non-controlling interests.

Certain Contractual Obligations

The following table sets forth our total contractual obligations under certain contracts as of December 31, 2012.

	Payments Due by Period				
	Total	Less than 1 year	1-3 Years	3-5 Years	More than 5 Years
	(unaudited; dollars in millions)				
Principal payments on borrowings [a]	$ 290.0	$ —	$ —	$ 150.0	$ 140.0
Interest payable [a]	94.2	12.7	25.3	24.7	31.5
Lease obligations [b]	37.3	8.4	11.2	7.3	10.4
Bonus agreement	13.8	13.5	0.3	—	—
Class B liability awards [c]	225.2	—	—	—	225.2
Other liabilities reflected on our balance sheet under GAAP	29.3	8.3	16.4	4.6	—
Total Contractual Obligations [d]	$ 689.8	$ 42.9	$ 53.2	$ 186.6	$ 407.1

[a] In connection with the IPO, we made a $90.0 million payment on principal outstanding under the revolving credit arrangement. This reduction in principal reduces our 3-5 year principal payments on borrowings to $60.0 million, reduces our total interest payable to $86.8 million, and reduces interest payable for the less-than-1 year, 1-3 year, and 3-5 year periods to $11.1 million, $22.1 million, and $22.1 million, respectively.

[b] In September 2013, we signed an amendment to the lease for our Milwaukee office, extending the lease term to 2026. This increases our total lease obligation to $78.2 million and increases our lease obligation for the 1-3 year, 3-5 year and more than 5 year periods to $16.7 million, $13.3 million and $39.8 million, respectively.

[c] The liability associated with the Class B awards related to our obligation to redeem the Class B units from employee-partners in connection with the termination of their employment with us. Subsequent to December 31, 2012, in connection with the IPO Reorganization, the Class B grant agreements were modified to eliminate the redemption feature for individuals whose employment had not yet terminated and as a result the liability for the Class B awards has been eliminated.

[d] The total contractual obligations does not include any amounts related to Launch Equity included in the consolidated financial statements. We have no rights to the benefits from, nor do we bear the risks associated with, the assets and liabilities of Launch Equity required to be consolidated, beyond our investment in and investment advisory fees generated from Launch Equity, which are eliminated in consolidation. Additionally, creditors of Launch Equity have no recourse to our general credit beyond the level of our investment, so we do not consider those liabilities to be our obligations.

Subsequent to December 31, 2012, we entered into certain agreements that impact our total contractual obligations. In addition to the payment of outstanding principal under our revolving credit agreement, the modification of the Class B awards and the lease amendment described above, we have entered into the TRAs, which will require payments by us. The estimated payments under the TRAs as of September 30, 2013 are described above under "Liquidity and Capital Resources". However, amounts payable under the TRAs will increase upon exchanges of Holdings units for our Class A common stock or convertible preferred stock or sales of Holdings units to us, with the increase representing 85% of the estimated future tax benefits, if any, resulting from the exchanges or sales. The actual payments associated with future exchanges or sales, and associated tax benefits, will vary depending upon a number of factors as described under "Liquidity and Capital Resources."

Off-Balance Sheet Arrangements

We did not have any off-balance sheet arrangements as of September 30, 2013.

Critical Accounting Policies and Estimates

The accompanying consolidated financial statements were prepared in accordance with GAAP, and related rules and regulations of the SEC. The preparation of financial statements in conformity with GAAP requires management to make estimates or assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. Actual results could differ from these estimates or assumptions and may have a material effect on the consolidated financial statements.

Accounting policies are an integral part of our financial statements. A thorough understanding of these accounting policies is essential when reviewing our reported results of operations and our financial condition. Management believes that the critical accounting policies and estimates discussed below involve additional management judgment due to the sensitivity of the methods and assumptions used.

Consolidation

We assess each legal entity in which we hold a variable interest to determine whether consolidation is appropriate at the onset of the relationship and upon certain reconsideration events. We first evaluate each entity that we manage to determine whether it is an investment company, as the FASB deferred the application of the revised consolidation model for certain investment entities that have the attributes of an investment company subject to ASC 946 (the "investment company guide"). We then determine whether we have a controlling financial interest in the entity by evaluating whether the entity is a voting interest entity, or VOE, or a variable interest entity, or VIE, under GAAP. Assessing whether an entity is a VIE or VOE and if it requires consolidation involves judgment and analysis. Factors considered in this assessment include the legal organization of the entity, our equity ownership and contractual involvement with the entity and any related party or de facto agent implications of our involvement with the entity.

Voting Interest Entities-A VOE is an entity in which (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently and (ii) the equity holders at risk have the obligation to absorb losses, the right to receive residual returns and the right to direct the activities of the entity that most significantly impact the entity's economic performance, whereby the equity investment has all the characteristics of a controlling financial interest. As a result, voting rights are a key driver of determining which party, if any, should consolidate the entity. We serve as the investment adviser for Artisan Funds and Artisan Global Funds, each of which is a VOE, as described below.

Artisan Funds, a family of U.S. mutual funds, and Artisan Global Funds, a family of Ireland-based UCITS, are corporate entities the business and affairs of which are managed by their respective boards of directors. The shareholders of the funds retain all voting rights, including the right to elect and reelect members of their respective boards of directors. As of September 30, 2013, Artisan Funds had total assets of $53.2 billion and Artisan Global Funds had total assets of $1.3 billion. While we hold, in limited cases, direct investments in a fund (which are made on the same terms as are available to other investors and do not represent a majority voting interest in any fund), we do not have a controlling financial interest or a majority voting interest and, as such, we do not consolidate these entities.

Variable Interest Entities-A VIE is an entity that lacks one or more of the characteristics of a VOE. In accordance with GAAP, an enterprise must consolidate all VIEs of which it is the primary beneficiary. We determine if a legal entity meets the definition of a VIE by considering whether the fund's equity investment at risk is sufficient to finance its activities without additional subordinated financial support and whether the fund's at-risk equity holders absorb any losses, have the right to receive residual returns and have the right to direct the activities of the entity most responsible for the entity's economic performance.

For VIEs that are investment companies subject to the deferral of the revised consolidation model, the primary beneficiary of the VIE is the party that absorbs a majority of the expected losses of the VIE, receives a majority of the expected residual returns of the VIE, or both. This evaluation is updated on a periodic basis.

We have determined that Artisan Partners Launch Equity LP, or Launch Equity, which began operations on July 25, 2011, is a VIE. Our equity investment in the fund represents our variable interest in the fund. Additionally, we have the right to receive management and incentive fees for the services we provide as investment adviser to Launch Equity, which are considered variable interests. The limited partners of Launch Equity are certain of our employees, thus are related parties to us. We determined that Launch Equity is a VIE pursuant to ASC 810-10-15-14(c), because (i) the voting rights of the limited partners are not proportional to their obligations to absorb expected losses and rights to receive expected residual returns and (ii) substantially all of Launch Equity's activities either involve or are conducted on behalf of the limited partners (the investors that have disproportionately few voting rights) and their related parties (including us). We concluded we were the primary beneficiary of Launch Equity for this purpose as we are the member of the related party group that is most closely associated with it. Although we have only a minimal equity investment in Launch Equity, as the general partner, we control Launch Equity's management and affairs. In addition, the fund was designed to attract third party investors to provide an economic benefit to us in the form of quarterly management fees and an annual incentive fee based upon the net capital appreciation of the fund. Also, in the ordinary course of business, we may choose to waive certain fees or assume operating expenses of the fund. As a result, we concluded we were the primary beneficiary of Launch Equity. The results of Launch Equity are included in our consolidated financial results.

Revenue Recognition

Investment management fees are generally computed as a percentage of assets under management and recognized as earned. Fees for providing investment management services are computed and billed in accordance with the provisions of the applicable investment management agreements. The investment management agreements for a small number of accounts provide for performance-based fees. Performance-based fees, if earned, are recognized on the contractually determined measurement date. Interest and dividend income is recognized when earned. Performance fees generally are not subject to clawback as a result of performance declines subsequent to the most recent measurement date.

The investment management fees that we receive are calculated based on the values of the securities held in the accounts that we manage for our clients. For our U.S.-registered mutual fund clients and UCITS, including Artisan Funds and Artisan Global Funds, our fees are based on the values of the funds' assets as determined for purposes of calculating their net asset values.

Securities held by U.S.-registered mutual funds, including Artisan Funds, are generally valued at closing market prices, or if closing market prices are not readily available or are not considered reliable, at a fair value determined under procedures established by the fund's board (fair value pricing). A U.S.-registered mutual fund typically considers a closing market price not to be readily available, and therefore uses fair value pricing, if, among other things, the value of the security might have been materially affected by events occurring after the close of the market in which the security was principally traded but before the time for determination of the fund's net asset value. A subsequent event might be a company-specific development, a development affecting an entire market or region, or a development that might be expected to have global implications. A significant change in securities prices in U.S. markets may be deemed to be such a subsequent event with respect to non-U.S. securities. Values of securities determined using fair value pricing are likely to be different than they would be if only closing market prices were used. As a result, over short periods of time, the revenues we generate from U.S.-registered mutual funds, including Artisan Funds, may be different than they would be if only closing prices were used in valuing portfolio securities. Over longer time periods, the differences in our fees resulting from fair value pricing are not material.

For our separate account clients other than U.S.-registered mutual funds, our fees may be based, at the client's option, on the values of the securities in the portfolios we manage as determined by the client (or its custodian or other service provider) or by us in accordance with valuation procedures we have adopted. The valuation procedures we have adopted generally use closing market prices in the markets in which the securities trade, without adjustment for subsequent events except in unusual circumstances. We believe that our fees based on valuations determined under our procedures are not materially different from the fees we receive that are based on valuations determined by clients, their custodians or other service providers.

The portfolios of Artisan Funds and Artisan Global Funds, as well as the portfolios we manage for our separate account clients, are invested almost entirely in publicly-traded equity securities for which public market values are readily available, with a modest portion of each portfolio held in cash or cash-like instruments.

Income Taxes

Our management is required to exercise judgment in developing our provision for income taxes, including the determination of deferred tax assets and liabilities and any valuation allowance that might be required against deferred tax assets. As of September 30, 2013, we have not recorded a valuation allowance on any deferred tax assets. In the event that sufficient taxable income of the same character does not result in future years, among other things, a valuation allowance for certain of our deferred tax assets may be required. Because the determination of our annual income tax provision is subject to judgments and estimates, actual results may vary from those recorded in our financial statements. We recognize additions to and reductions in income tax expense during a reporting period that pertains to prior period provisions as our estimated liabilities are revised and our actual tax returns and tax audits are completed.

Payments pursuant to the Tax Receivable Agreements ("TRAs")

Under the TRAs, which we entered into as part of the IPO Reorganization, APAM is obligated to pay to the counterparties 85% of the amount of cash savings, if any, in U.S. federal and state income tax that APAM actually realizes (or is deemed to realize in certain circumstances) in periods after the IPO as a result of the H&F Corp Merger, the purchase by APAM of Class A common units of Holdings from certain of our original outside investors, or the future exchange of limited partnership units of Holdings for shares of our Class A common stock or convertible preferred stock or sales of limited partnership units to us.

We expect the H&F Corp Merger and our purchase of Class A common units to result in payment obligations under the TRAs and have recorded a liability of $54.0 million at September 30, 2013 related to those expected payment obligations. The actual amount and timing of any payments may vary from this estimate due to a number of factors, including a material change in the relevant tax law or our failure to earn sufficient taxable income to realize all estimated tax benefits. The expected payment obligation assumes no additional uncertain tax positions that would impact the TRAs.

Contingent value rights ("CVRs")

As part of the IPO Reorganization, Holdings issued Partnership CVRs and APAM issued APAM CVRs to the holders of Holdings' preferred units and APAM's convertible preferred stock, respectively. On November 6, 2013 the CVRs were terminated. APAM held one Partnership CVR for each APAM CVR outstanding.

The CVRs were considered derivative instruments under ASC 815, *Derivatives and Hedging*, and accordingly were recorded as a liability at fair value on the balance sheet. Changes in the fair value of these derivative instruments have been recorded in earnings as a net gain (loss) on the valuation of contingent value rights in the period of change. The fair value of the liability for the CVRs has been determined using a Monte Carlo pricing model. Our management is required to exercise judgment in developing the assumptions utilized in this model, including the volatility of the underlying Class A common stock, expected dividends of the underlying Class A common stock and the discount rate. Because the use of those judgments in making the fair value determination, we have determined that the CVRs are considered Level 3 instruments within the fair value hierarchy. We believe that, as of September 30, 2013, the fair value of the CVRs did not diverge materially from the amounts we anticipated paying on settlement.

New or Revised Accounting Standards

See Note 3, "Summary of Significant Accounting Policies - Recent accounting pronouncements" to the Unaudited Consolidated Financial Statements included in Part I of this report. We do not believe those pronouncements will have a material effect on the Company's financial position or results of operations.

Item 3. Qualitative and Quantitative Disclosures Regarding Market Risk

Market Risk

Our exposure to market risk is directly related to the role of our operating company as an investment adviser for the pooled vehicles and separate accounts it manages. Substantially all of our revenues are derived from investment management agreements with these vehicles and accounts. Under these agreements, the investment management fees we receive are generally based on the value of our assets under management and our fee rates. Accordingly, if our assets under management decline as a result of market depreciation, our revenues and net income will also decline. In addition, such a decline could cause our clients to withdraw their funds in favor of investments believed to offer higher returns or lower risk, which would cause our revenues to decline further.

The value of our assets under management was $96.9 billion as of September 30, 2013. A 10% increase or decrease in the value of our assets under management, if proportionately distributed over all our investment strategies, products and client relationships, would cause an annualized increase or decrease in our revenues of approximately $73.7 million at our current weighted average fee rate of 76 basis points. Because of our declining rates of fee for larger relationships and differences in our rates of fee across investment strategies, a change in the composition of our assets under management, in particular an increase in the proportion of our total assets under management attributable to strategies, clients or relationships with lower effective rates of fees, could have a material negative impact on our overall weighted average rate of fee. The same 10% increase or decrease in the value of our total assets under management, if attributed entirely to a proportionate increase or decrease in the assets of each of the Artisan Funds, to which we provide a range of services in addition to those provided to separate accounts, would cause an annualized increase or decrease in our revenues of approximately $91.1 million at the Artisan Funds weighted average fee of 94 basis points. If the same 10% increase or decrease in the value of our total assets under management was attributable entirely to a proportionate increase or decrease in the assets of each separate account we manage, it would cause an annualized increase or decrease in our revenues of approximately $53.3 million at the current weighted average fee rate across all of our separate accounts (55 basis points).

As is customary in the asset management industry, clients invest in particular strategies to gain exposure to certain asset classes, which exposes their investment to the benefits and risks of those asset classes. Because we believe that our clients invest in each of our strategies in order to gain exposure to the portfolio securities of the respective strategies and may implement their own risk management program or procedures, we have not adopted a corporate-level risk management policy regarding client assets, nor have we attempted to hedge at the corporate level or within individual strategies the market risks that would affect the value of our overall assets under management and related revenues. Some of these risks (*e.g.*, sector risks and currency risks) are inherent in certain strategies, and clients may invest in particular strategies to gain exposure to particular risks. While negative returns in our investment strategies and net client cash outflows do not directly reduce the assets on our balance sheet (because the assets we manage are owned by our clients, not us), any reduction in the value of our assets under management would result in a reduction in our revenues.

We also are subject to market risk from a decline in the prices of marketable securities that we own. The total value of marketable securities we owned was $23.7 million as of September 30, 2013. We hold $16.5 million of these investment securities in a single fund in connection with an incentive compensation plan. We invested the remaining amount in certain of Artisan Funds and Artisan Global Funds in amounts sufficient to cover certain organizational expenses and to ensure that the funds had sufficient assets at the commencement of its operations to build a viable investment portfolio. Assuming a 10% increase or decrease in the values of our total marketable securities, the fair value would increase or decrease by $2.4 million at September 30, 2013. Management regularly monitors the value of these investments; however, given their nature and relative size, we have not adopted a specific risk management policy to manage the associated market risk.

Investment securities held by Launch Equity are reflected in the Consolidated Statement of Financial Condition. Our risk with respect to Launch Equity's investment securities is limited to our equity ownership of $1 thousand.

Due to the nature of our business, we believe that we do not face any material risk from inflation.

Exchange Rate Risk

A substantial portion of the accounts that we advise, or sub-advise, hold investments that are denominated in currencies other than the U.S. dollar. Movements in the rate of exchange between the U.S. dollar and the underlying foreign currency affect the values of assets held in accounts we manage, thereby affecting the amount of revenues we earn. The value of the assets we manage was $96.9 billion as of September 30, 2013. As of September 30, 2013, approximately 44% of our assets under management across our investment strategies was invested in strategies that primarily invest in securities of non-U.S. companies and approximately 41% of our assets under management was invested in securities denominated in currencies other than the U.S. dollar. To the extent our assets under management are denominated in currencies other than the U.S. dollar, the value of those assets under management would decrease with an increase in the value of the U.S. dollar, or increase with a decrease in the value

of the U.S. dollar. Each investment team monitors its own exposure to exchange rate risk and makes decisions on how to manage that risk in the portfolios managed by that team. Because we believe that many of our clients invest in those strategies in order to gain exposure to non-U.S. currencies, or may implement their own hedging programs, we rarely hedge an investment portfolio's exposure to a non-U.S. currency. However, we routinely purchase and sell foreign currencies in order to reduce or eliminate the impact of currency fluctuation in connection with particular client transactions, such as the purchase and sale of a portfolio security. We have not adopted a corporate-level risk management policy to manage exchange rate risk. Assuming that 41% of our assets under management is invested in securities denominated in currencies other than the U.S. dollar and excluding the impact of any hedging arrangements, a 10% increase or decrease in the value of the U.S. dollar would decrease or increase the fair value of our assets under management by $4.0 billion, which would cause an annualized increase or decrease in revenues of approximately $30.2 million at our current weighted average fee rate of 76 basis points.

Interest Rate Risk

At certain times, we invest our available cash balances in money market mutual funds that invest primarily in U.S. Treasury or agency-backed money market instruments. These funds attempt to maintain a stable net asset value but interest rate changes or other market risks may affect the fair value of those funds' investments and, if significant, could result in a loss of investment principal. Interest rate changes affect the income we earn from our excess cash balances. As of September 30, 2013, we invested $135.0 million of our available cash in money market funds that invested solely in U.S. Treasuries. Given the current low yield on these funds, interest rate changes would not have a material impact on the income we earn from these investments. The remaining portion of our cash was held in demand deposit accounts.

Borrowings under our notes and revolving credit agreement bear interest as described under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources". Interest rate changes may affect the amount of our interest payments in connection with our revolving credit agreement, and thereby affect future earnings and cash flows. As of September 30, 2013, there were no borrowings outstanding under the revolving credit agreement.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) at September 30, 2013. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting during the quarter ended September 30, 2013 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Part II — Other Information

Item 1. Legal Proceedings

In the normal course of business, we may be subject to various legal and administrative proceedings. Currently, there are no legal proceedings pending or to our knowledge threatened against us.

Item 1A. Risk Factors

For a discussion of our potential risks and uncertainties, see the information under the heading "Risk Factors" in our prospectus dated October 31, 2013, filed with the SEC in accordance with Rule 424(b) of the Securities Act of 1933 on November 1, 2013, which is accessible on the SEC's website at www.sec.gov. There have been no material changes to the risk factors disclosed in the prospectus.

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

Unregistered Sales of Equity Securities

As described in Note 10, "Stockholders' Equity", to the Unaudited Consolidated Financial Statements included in Part I of this report, upon termination of employment with Artisan, an employee-partner's vested Class B common units of Holdings are automatically exchanged for Class E common units, and unvested Class B common units are forfeited. The employee-partner's shares of APAM Class B common stock are canceled and APAM issues the former employee-partner a number of shares of APAM Class C common stock equal to the former employee-partner's number of Class E common units. The former employee-partner's Class E common units are exchangeable for Class A common stock subject to the same restrictions and limitations on exchange applicable to the other common units of Holdings. During the three months ended September 30, 2013, 209,853 shares of Class B common stock were canceled, and 167,798 shares of Class C common stock were issued, as a result of the termination of employment of employee-partners. During the nine months ended September 30, 2013, 641,971 shares of Class B common stock were canceled, and 559,316 shares of Class C common stock were issued, as a result of the termination of employment of employee-partners.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
2.1	Agreement and Plan of Merger between Artisan Partners Asset Management Inc. and H&F Brewer Blocker Corp.(1)
3.1	Restated Certificate of Incorporation of Artisan Partners Asset Management Inc.(1)
3.2	Amended and Restated Bylaws of Artisan Partners Asset Management Inc.(1)
10.1	Fifth Amended and Restated Limited Partnership Agreement of Artisan Partners Holdings LP
10.2	Amended and Restated Resale and Registration Rights Agreement
10.3	Exchange Agreement(1)
10.4	Tax Receivable Agreement (Merger)(1)
10.5	Tax Receivable Agreement (Exchanges)(1)
10.6	Stockholders Agreement(1)
10.7	Public Company Contingent Value Rights Agreement(1)
10.8	Partnership Contingent Value Rights Agreement(1)

10.9	Artisan Partners Asset Management Inc. 2013 Omnibus Incentive Compensation Plan(2)
10.10	Artisan Partners Asset Management Inc. 2013 Non-Employee Director Plan(2)
10.11	Artisan Partners Asset Management Inc. Bonus Plan(2)
10.12	Form of Artisan Partners Holdings LP Restated Class B Common Units Grant Agreement(3)
10.13	Employment Agreement of Andrew A. Ziegler(1)
10.14	Retention Agreement of Janet D. Olsen(3)
10.15	Form of Indemnification Agreement(3)
10.16	Form of Indemnification Priority Agreement(3)
10.17	Five-Year Revolving Credit Agreement, dated as of August 16, 2012, among Artisan Partners Holdings LP, the lenders named therein and Citibank, N.A., as Administrative Agent(4)
10.18	Note Purchase Agreement, dated as of August 16, 2012, among Artisan Partners Holdings LP and the purchasers listed therein(4)
10.19	Investment Advisory Agreement between Artisan Partners Limited Partnership and Artisan Funds Inc. for Artisan International Fund(5)
10.20	Investment Advisory Agreement between Artisan Partners Limited Partnership and Artisan Funds Inc. for Artisan Mid Cap Value Fund(5)
10.21	Investment Advisory Agreement between Artisan Partners Limited Partnership and Artisan Funds Inc. for Artisan Mid Cap Fund(5)
10.22	Form of Artisan Partners Asset Management Inc. 2013 Non-Employee Director Plan—Restricted Share Unit Award Agreement(3)
10.23	Form of Artisan Partners Asset Management Inc. 2013 Omnibus Incentive Compensation Plan-Restricted Stock Award Agreement (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by Artisan Partners Asset Management Inc. on June 25, 2013 (File No. 001-35826))
10.24	Unit and Share Purchase Agreement (incorporated by reference to the Registration Statement on Form S-1 filed by Artisan Partners Asset Management Inc. on October 16, 2013 (File No. 333-191739))
31.1	Certification of the Company’s Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of the Company’s Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of the Company’s Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of the Company’s Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(1)	incorporated by reference to Form 10-Q filed by Artisan Partners Asset Management Inc. on May 9, 2013 (File No. 001-35826)
(2)	incorporated by reference to Amendment No. 3 to the Registration Statement on Form S-1 filed by Artisan Partners Asset Management Inc. on February 14, 2013 (File No. 333-184686)
(3)	incorporated by reference to Amendment No. 2 to the Registration Statement on Form S-1 filed by Artisan Partners Asset Management Inc. on January 18, 2013 (File No. 333-184686)
(4)	incorporated by reference to Amendment No. 1 to the Registration Statement on Form S-1 filed by Artisan Partners Asset Management Inc. on December 18, 2012 (File No. 333-184686)
(5)	incorporated by reference to the Registration Statement on Form S-1 filed by Artisan Partners Asset Management Inc. on November 1, 2012 (File No. 333-184686)

SIGNATURES

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

Artisan Partners Asset Management Inc.

Dated: November 7, 2013

By:

/s/ Eric R. Colson

Eric R. Colson
President and Chief Executive Officer and Director
(principal executive officer)

/s/ Charles J. Daley, Jr.

Charles J. Daley, Jr.
Executive Vice President, Chief Financial Officer and Treasurer
(principal financial and accounting officer)

FIFTH AMENDED AND RESTATED

AGREEMENT OF LIMITED PARTNERSHIP

OF

ARTISAN PARTNERS HOLDINGS LP,

a Delaware Limited Partnership

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This FIFTH AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF ARTISAN PARTNERS HOLDINGS LP, dated as of November 6, 2013 and effective as of the Effective Time, is by and among Artisan Partners Asset Management Inc., as the General Partner, and the persons identified in the Register as the Class A Common Unit Holders, the Class B Common Unit Holders, the Class D Common Unit Holders, the Class E Common Unit Holders and the Preferred Unit Holders, as Limited Partners. Capitalized terms used herein without definition shall have the meanings assigned thereto on the attached *Appendix A*.

Recitals

WHEREAS, Ziegler Investment Corporation, as general partner, and the initial Class A Limited Partners named therein, formed this Partnership pursuant to the Agreement of Limited Partnership of Ziegler Partners, L.P., dated as of December 9, 1994 (the "Original LP Agreement"), and by filing a Certificate of Limited Partnership, dated as of December 7, 1994 and effective December 9, 1994, as amended (the "Certificate"), in respect thereof with the Secretary of State of the State of Delaware;

WHEREAS, the Original LP Agreement was duly amended and restated by the Amended and Restated Agreement of Limited Partnership of Artisan Partners Limited Partnership, dated as of July 3, 2006, which was duly amended and restated by the Second Amended and Restated Agreement of Limited Partnership of Artisan Partners Limited Partnership, dated as of April 30, 2009, which was duly amended by the First Amendment, Second Amendment and Third Amendment to the Second Amended and Restated Agreement of Limited Partnership of Artisan Partners Limited Partnership, dated as of June 8, 2009, March 30, 2011 and July 15, 2012, respectively, and which was duly amended and restated by the Third Amended and Restated Agreement of Limited Partnership of Artisan Partners Holdings LP, dated as of July 15, 2012, which was duly amended and restated by the Fourth Amended and Restated Agreement of Limited Partnership of Artisan Partners Holdings LP, dated as of March 12, 2013 (the "Fourth Restated LP Agreement");

WHEREAS, the General Partner desires to amend and restate the Fourth Restated LP Agreement, effective as of the Effective Time, to, among other things, (i) permit the General Partner to apply the proceeds of any issuance of its Class A Common Stock to purchase outstanding LP Units and Convertible Preferred Stock and to contribute such LP Units and the Preferred Units corresponding to such Convertible Preferred Stock to the Partnership in exchange for new GP Units and (ii) modify the voting rights of the holders of the Preferred Units that remain outstanding after the Effective Time; and

WHEREAS, each Preferred Unit Holder and the General Partner have agreed pursuant to the Unit and Share Purchase Agreement, dated as of October 15, 2013, between (i) the General Partner and (ii) H&F Brewer AIV, L.P., Hellman & Friedman Capital Associates V, L.P. and H&F Brewer AIV II, L.P. (the "Unit and Share Purchase Agreement"), to return to the Partnership at or about the Effective Time and thereafter distributions in the amounts set forth therein made by the Partnership to the Preferred Unit Holders and the General Partner prior to the Effective Time (collectively, the "Special Make-Whole Amount");

NOW THEREFORE, in consideration of the mutual premises and covenants contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Fourth Restated LP Agreement is hereby amended and restated in accordance with its terms as follows:

ARTICLE I

General Provisions

1.1. Name. The name of the Partnership is Artisan Partners Holdings LP.

1.2. Place of Business. The principal business office of the Partnership shall be 875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202, or such other place as the General Partner shall designate.

1.3. Registered Office and Agent.

(a) The Partnership shall maintain a registered office in the State of Delaware, and shall maintain registration as a foreign limited partnership and take such other actions as the General Partner deems necessary or appropriate to allow the Partnership to conduct business in such jurisdictions as the General Partner deems appropriate.

(b) The General Partner shall maintain agents for the service of process in the State of Delaware and such other jurisdictions as the General Partner deems appropriate, and shall maintain the names and business addresses of such agents in the books and records of the Partnership. The General Partner may from time to time change the designation of any such party who is to serve as such agent and may provide for additional agents for service in such other jurisdictions as the General Partner deems appropriate.

1.4. Purpose. The Partnership may carry on any lawful business, purpose or activity.

1.5. Term. The term of the Partnership as a limited partnership organized under the laws of the State of Delaware commenced upon the filing of the original Certificate in accordance with the Act and such term shall continue until the Partnership is dissolved in accordance with the Act or this Agreement. The existence of the Partnership as a separate legal entity shall continue until the cancellation of the Certificate as provided in the Act.

1.6. No Concerted Action. Each Partnership Unit Holder hereby acknowledges and agrees that, except as expressly provided herein, in performing its obligations or exercising its rights hereunder, it is acting independently and is not acting in concert with, on behalf of, as agent for, or as joint venturer of, any other Partnership Unit Holder. Other than in respect of the Partnership, nothing contained in this Agreement shall be construed as creating a corporation, association, joint stock company, business trust, organized group of persons, whether

incorporated or not, among or involving any Partnership Unit Holder or its Affiliates and nothing in this Agreement shall be construed as creating or requiring any continuing relationship or commitment as between such parties other than as specifically set forth herein. To the fullest extent permitted by applicable law, nothing contained in this Agreement shall be construed as creating any fiduciary or other duty of a Limited Partner for the benefit of any other Partner, and the Limited Partners, each in its capacity as such, shall have no fiduciary duties to the Partnership, any Partnership Unit Holder or any other Person notwithstanding any other provision in this Agreement, at law (whether common or statutory), in equity or otherwise.

ARTICLE II

Partnership Units

2.1. General Provisions with Respect to Partnership Units.

(a) Each Partnership Unit Holder's interest in the Partnership, including such Partnership Unit Holder's interest, if any, in the capital, income, gain, loss, deduction and expense of the Partnership and the right to vote, if any, on certain Partnership matters as provided in this Agreement, shall be represented by Partnership Units. Subject to Section 2.2, the Partnership shall have six authorized classes of Partnership Units, designated GP Units, Preferred Units, Class A Common Units, Class B Common Units, Class D Common Units and Class E Common Units. The ownership by a Partnership Unit Holder of Partnership Units shall entitle such Partnership Unit Holder to allocations of profits and losses and other items and distributions of cash and other property as set forth in Article VI and Article VII. Except as provided in Sections 6.1(e), 6.2 and 11.2, each Partnership Unit shall represent an identical interest in the Profits of the Partnership. Each Person issued any LP Unit by the Partnership shall automatically be deemed admitted to the Partnership as a Limited Partner in respect of such LP Unit upon the issuance of such LP Unit to such Person. For the avoidance of doubt, each Person holding any LP Unit prior to the effectiveness of this Agreement and that continues to hold such LP Unit upon the effectiveness of this Agreement shall automatically continue as a Limited Partner of the Partnership in respect of such LP Unit.

(b) Each Partnership Unit Holder shall be entitled to one vote per Partnership Unit on all matters as to which such Partnership Unit is entitled to vote and, except as otherwise provided in this Agreement, each Partnership Unit shall have identical voting rights. Notwithstanding anything contained herein to the contrary, the Class E Common Unit Holders shall not have any voting rights under this Agreement, under the Act or otherwise, except as expressly set forth in Section 14.9.

(c) None of the Partnership Units shall be represented by certificates.

(d) The total number of Partnership Units issued and outstanding and held by Partnership Unit Holders is set forth in the Register (as maintained by the General Partner in accordance with this Agreement).

(e) For the avoidance of doubt, other than as provided for in Sections 11.1 and 11.2(d), the occurrence of the Preferred Units Preference Condition shall not affect the rights of the Preferred Unit Holders as a class of holders under this Agreement.

(f) To the extent the Partnership is required, in respect of any distribution of cash or other property or allocation of income to or otherwise with respect to a Partnership Unit Holder's interest in the Partnership, to withhold or deduct or pay any present or future taxes, duties, assessments or governmental charges of whatever nature, the amount so withheld or deducted or paid shall be deemed for all purposes of this Agreement to have been distributed or allocated to or otherwise with respect to such Partnership Unit Holder in respect of its interest in the Partnership.

2.2. Issuance of Additional Partnership Units. Subject to Sections 12.1 and 14.9, the General Partner shall have the right to authorize and cause the Partnership to issue on such terms (including price) as may be determined by the General Partner (i) subject to the limitations set forth in Article III, additional Partnership Units, including preferred units (in addition to Preferred Units) or other classes or series of units having such rights, preferences and privileges as determined by the General Partner, and (ii) obligations, evidences of indebtedness or other securities or interests convertible into or exercisable or exchangeable for Partnership Units. Subject to Sections 12.1 and 14.9, the General Partner shall have the power to amend this Agreement in order to provide for such powers, designations, preferences and rights as the General Partner in its discretion deems necessary or appropriate to give effect to such additional authorization or issuance in accordance with this Section 2.2.

ARTICLE III

Exchanges; Issuances of Additional Partnership Units; Reclassifications, Subdivisions and Additional Issuances

3.1. Exchanges.

(c) Upon the exchange by any Common Unit Holder of Common Units for shares of Class A Common Stock pursuant to the Exchange Agreement, as of the effective date of such exchange, the Partnership shall cancel any Common Units so exchanged and for each Common Unit so exchanged issue one GP Unit to the General Partner.

(d) Upon the exchange by any Preferred Unit Holder of Preferred Units for shares of Convertible Preferred Stock pursuant to the Exchange Agreement, as of the effective date of such exchange, the Partnership shall record the transfer of each Preferred Unit so exchanged to the General Partner.

(e) Upon the exchange by any Preferred Unit Holder of Preferred Units for shares of Class A Common Stock pursuant to the Exchange Agreement, as of the effective date of such exchange, the Partnership shall cancel any Preferred Units so

exchanged and for each Preferred Unit so exchanged issue to the General Partner a number of GP Units equal to the number of shares of Class A Common Stock issued to such holder upon such exchange.

(f) The General Partner shall at all times reserve and keep available out of its authorized but unissued Class A Common Stock, Class C Common Stock and Convertible Preferred Stock, such number of shares of Class A Common Stock, Class C Common Stock and Convertible Preferred Stock as shall be deliverable upon (i) any exchange contemplated by this Section 3.1, (ii) any conversion contemplated by Section 3.2, or (iii) any issuance of Class C Common Stock contemplated by Section 3.3.

3.2. Conversion of Convertible Preferred Stock; Exchange of Preferred Units. Upon the conversion of any shares of Convertible Preferred Stock into shares of Class A Common Stock pursuant to the Certificate of Incorporation of APAM, the General Partner shall exchange a corresponding number of Preferred Units held by it for a number of GP Units equal to the number of shares of Class A Common Stock issued to such holder upon such conversion.

3.3. Termination of Class B Common Unit Holder's Employment. In the case of a Class B Common Unit Holder who is an employee of, or who provides services to or on behalf of, the Partnership or an Affiliate thereof, upon the termination of the performance of services of such Class B Common Unit Holder (a "Terminated Employee-Partner") for any reason, each vested Class B Common Unit held by such Terminated Employee-Partner at the time of termination shall automatically be exchanged for a Class E Common Unit and such Class B Common Unit shall be cancelled for no other consideration. Any unvested Class B Common Units held by such Terminated Employee-Partner shall be automatically cancelled. Upon exchange of the vested Class B Common Units for Class E Common Units, the General Partner shall (i) issue to the Terminated Employee-Partner a number of shares of Class C Common Stock equal to the number of Class E Common Units held by the Terminated Employee-Partner, and (ii) automatically redeem and cancel the shares of Class B Common Stock held by the Terminated Employee-Partner. For the avoidance of doubt, vesting of Class B Common Units shall be governed by grant agreements between each Class B Common Unit Holder and the Partnership.

3.4. Issuance of Class A Common Stock and Class B Common Stock.

(a) Upon the issuance by the General Partner of any shares of Class A Common Stock (including, without limitation, in connection with any public or private offering or any compensation plan), the General Partner shall:

(i) with respect to any number of shares of Class A Common Stock so issued for cash, transfer the net proceeds of such issuance to (x) one or more Limited Partners in exchange for a number of LP Units equal to such number of shares of Class A Common Stock; or (y) apply the net proceeds of such issuance to purchase shares of its Convertible Preferred Stock, which shares shall be cancelled immediately upon their delivery to the General Partner;

(ii) with respect to all such shares of Class A Common Stock issued for cash, the proceeds of which are not applied in accordance with clause (i), contribute the net proceeds of such issuance to the Partnership in exchange for a number of newly issued GP Units equal to such number of shares of Class A Common Stock issued; or

(iii) except as provided in Section 3.4(b) with respect to the conversion, exercise or exchange of any security or other instrument into or for shares of Class A Common Stock, with respect to all shares of Class A Common Stock not issued for cash, cause the Partnership to issue to it a number of GP Units equal to such number of shares of Class A Common Stock so issued.

Any LP Units acquired in accordance with clause (i) above or any Preferred Units corresponding to shares of Convertible Preferred Stock acquired or repurchased in accordance with clause (i) above shall automatically convert into a GP Unit. The General Partner shall automatically redeem and cancel each share of Class B Common Stock or Class C Common Stock corresponding to any LP Unit repurchased in accordance with clause (i) above.

(b) Upon the conversion, exercise or exchange of any security or other instrument convertible into or exercisable or exchangeable for shares of Class A Common Stock, the General Partner shall contribute the LP Units underlying such security or other instrument, together with the exercise price, if any, received therefor to the Partnership in exchange for a number of GP Units equal to the number of shares of Class A Common Stock issued upon such conversion, exercise or exchange.

(c) At any time the Partnership issues a Class B Common Unit, the General Partner shall issue a share of Class B Common Stock to the recipient of such Class B Common Unit. Upon the forfeiture of any Class B Common Unit, the General Partner shall automatically redeem and cancel the corresponding share of Class B Common Stock.

3.5. Subdivision or Combination.

(a) The General Partner shall not in any manner effect any Subdivision or Combination of any of its Class A Common Stock, and the Partnership shall not in any manner effect any Subdivision or Combination of GP Units unless the GP Units or the shares of Class A Stock are subdivided or combined, as the case may be, into an identical number of units or shares.

(b) The General Partner shall not in any manner effect any Subdivision or Combination of any of its Convertible Preferred Stock unless the Preferred Units are subdivided or combined in equal proportion to such Subdivision or Combination.

(c) The Partnership shall not in any manner effect any Subdivision or Combination of Preferred Units unless the shares of Convertible Preferred Stock are subdivided or combined in equal proportion to such Subdivision or Combination.

(d) So long as any Preferred Units are outstanding, the Partnership shall not in any manner effect any Subdivision or Combination of any (i) GP Units unless the Preferred Units are subdivided or combined in equal proportion to such Subdivision or Combination, and (ii) Preferred Units unless the GP Units are subdivided or combined in equal proportion to such Subdivision or Combination.

3.6. Issuance of Additional General Partner Securities. Subject to Section 3.4, the General Partner shall not issue, and shall not agree to issue (including pursuant to any security or other instrument convertible into or exercisable or exchangeable for) any class of equity securities other than Class A Common Stock, Class B Common Stock pursuant to Section 3.4(b), Class C Common Stock pursuant to Section 3.3 or Convertible Preferred Stock pursuant to Section 3.1(b) ("Additional General Partner Securities"), unless (i), subject to Section 12.1, the Partnership shall issue or agree to issue, as the case may be, to the General Partner a number of units with designations, preferences and other rights and terms that are substantially the same as such Additional General Partner Securities ("Additional Partnership Units") equal to the number of such Additional General Partner Securities issued by the General Partner, and (ii) the General Partner transfers to the Partnership the net proceeds of the issuance of such Additional General Partner Securities and agrees to transfer to the Partnership any amounts paid by the holders thereof upon their exercise, if applicable.

3.7. Redemption and Repurchase of General Partner Securities. Subject to Section 3.4(a)(i), if the General Partner redeems, repurchases or otherwise acquires any shares of its Class A Common Stock, Convertible Preferred Stock or Additional General Partner Securities for cash, the Partnership shall, at substantially the same time as such redemption, repurchase or acquisition, redeem an identical number of GP Units, Preferred Units or Additional Partnership Units (as the case may be) held by the General Partner upon the same terms and for the same price, as the redemption, repurchase or acquisition of the Class A Common Stock, Convertible Preferred Stock or Additional General Partner Securities.

ARTICLE IV

Capital Contributions

4.1. Capital Contributions. Each Partnership Unit Holder as of the Effective Time shall be deemed to have contributed to the capital of the Partnership the amounts set forth opposite each Partnership Unit Holder's name in the Capital Account Register as of the Effective Time.

4.2. Return of Capital. The General Partner shall have no personal liability for the repayment of the Capital Contribution of any Limited Partner or for repayment to the Partnership of any portion of any negative balance in any Partnership Unit Holder's Capital Account. Nothing in this Section 4.2 shall be construed to limit the General Partner's liability to

creditors of the Partnership. No Partnership Unit Holder shall be paid interest on any Capital Contributions or on such Partnership Unit Holder's Capital Account.

4.3. Additional Capital Contributions. No Partnership Unit Holder shall be required, or have the right, to make any additional Capital Contributions or loans to the Partnership which are not specified herein (except as may be required by law).

ARTICLE V

Capital Accounts

5.1. Capital Accounts. There shall be maintained for each Partnership Unit Holder a Capital Account in accordance with the following:

(a) Credits. Each Partnership Unit Holder's Capital Account shall be credited with (increased by) such Partnership Unit Holder's Capital Contributions, any income or gain allocated to such Partnership Unit Holder pursuant to Section 7.1, and the amount of any liabilities or indebtedness of the Partnership that is assumed by such Partnership Unit Holder or that is secured by any property distributed to such Partnership Unit Holder.

(b) Debits. Each Partnership Unit Holder's Capital Account shall be debited with (reduced by) the amount of cash and the Fair Market Value of any property distributed to such Partnership Unit Holder (except to the extent a distribution is treated as a "guaranteed payment" under Section 707(c) of the Code), any expenses or losses allocated to such Partnership Unit Holder pursuant to Section 7.1, and the amount of any liabilities or indebtedness of such Partnership Unit Holder that is assumed by the Partnership or that is secured by any property contributed by such Partnership Unit Holder to the Partnership.

(c) Revaluations.

(i) Allocation of Net Gain Generally. If immediately prior to any Revaluation Event (x)(I) the aggregate Revaluation Capital Account balances in respect of all of the Preferred Unit Holders (disregarding the portion of the General Partner's Revaluation Capital Account attributable to GP Units) at such time is at least equal to the product of the Preferred Unit Preference Amount multiplied by the number of Preferred Units outstanding at such time or (II) the Preferred Unit Holders are no longer entitled to preferential distributions with respect to either Partial Capital Events pursuant to Section 6.2 or upon dissolution or liquidation of the Partnership pursuant to Section 11.2(d) and (y) the Revaluation Capital Account balance in respect of any Partnership Unit Holder is less than the amount equal to the aggregate Revaluation Capital Account balances of all Partnership Unit Holders multiplied by the Percentage Interest of such Partnership Unit Holder (such difference, in respect of such Partnership Unit Holder, a "Capital Account Shortfall"), the amount of net gain in connection with

such Revaluation Event allocated with respect to: (1) a Common Unit Holder will equal (A) the net gain in connection with the Revaluation Event minus the GP Revaluation Event Allocable Gain multiplied by (B) a fraction, the numerator of which is the Unit Shortfall with respect to the Common Unit Holder and the denominator of which is the Aggregate Shortfall; and (2) the General Partner will equal the GP Revaluation Event Allocable Gain; provided that no gain shall be allocated pursuant to this clause (i) to the extent it would cause the Revaluation Capital Account balance in respect of any Common Unit Holder to be greater than the amount equal to the aggregate Revaluation Capital Account balances of all Partnership Unit Holders multiplied by the Percentage Interest of such Partnership Unit Holder immediately after the Revaluation Event. For the avoidance of doubt, any remaining amount of net gain in connection with such Revaluation Event following the foregoing allocation shall be allocated among the Partnership Unit Holders pursuant to Section 7.1.

(ii) Allocation of Net Loss Generally. If immediately prior to any Revaluation Event (and after allocating net loss pursuant to Section 5.1(c)(iii), if applicable) any Common Unit Holder has a Capital Account Shortfall, the amount of net loss in connection with such Revaluation Event allocated with respect to (1) a Common Unit Holder will equal (x) the net amount of loss to be allocated in connection with the Revaluation Event (after application of Section 5.1(c)(iii), if applicable) minus the GP Revaluation Event Allocable Loss multiplied by (y) a fraction, the numerator of which is the Unit Surplus with respect to the Common Unit Holder and the denominator of which is the Aggregate Surplus; and (2) the General Partner will equal the GP Revaluation Event Allocable Loss.

(iii) Priority Allocation of Net Loss to Preferred Unit Holders. From and after the time, if any, at which the Preferred Unit Holders are no longer entitled to preferential distributions with respect to either Partial Capital Events pursuant to Section 6.2 or upon dissolution or liquidation of the Partnership pursuant to Section 11.2(d), if and to the extent any Common Unit Holder has a Capital Account Shortfall immediately prior to any Revaluation Event, (x) an amount of net gain in connection with such Revaluation Event, if any, shall be allocated pursuant to Section 5.1(c) (i), and (y) an amount of net loss in connection with such Revaluation Event, if any, equal to the Preferred Unit Loss Allocation will be allocated to the Preferred Unit Holders on a pro rata basis until (and only until) the Revaluation Capital Account balance in respect of each Preferred Unit Holder is equal to the aggregate Revaluation Capital Account balances of all Partnership Unit Holders multiplied by the Percentage Interest of such Preferred Unit Holder. For the avoidance of doubt, any remaining amount of net loss in connection with such Revaluation Event following the allocation in foregoing subclause (y) shall be allocated pursuant to Section 5.1(c)(ii).

(d) Transfers. In the event any Limited Partner Transfers or exchanges all or any portion of such Limited Partner's Partnership Units in accordance with this Agreement or the Exchange Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent it relates to the transferred LP Units.

(e) Treasury Regulations. The Partnership shall maintain the Capital Accounts in accordance with the rules of Treasury Regulation Section 1.704-1(b)(2)(iv).

5.2. Capital Account Register. The Capital Accounts of the Partnership Unit Holders as of the Effective Time shall be set forth in the Capital Account Register. After the Effective Time, the General Partner shall maintain and periodically update the Capital Account Register in accordance with the terms hereof. The Capital Account Register shall be conclusive and binding upon the Partnership Unit Holders as the calculation of each Partnership Unit Holder's Capital Account absent manifest error by the General Partner, except that the General Partner shall make any adjustments necessary to permit delivery of the opinions referred to in Section 8.3(a).

5.3. Interpretation. The provisions of Section 5.1 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Treasury Regulations and shall be interpreted and applied in a manner consistent therewith (including the rules set forth in the Treasury Regulations for determining the items and amounts of income, gain, loss and deduction to be taken into account for Capital Account purposes). In the event the General Partner determines that it is prudent to modify the manner in which the Capital Accounts, or any debits or credits thereto (including, without limitation, debits or credits relating to debt that is secured by contributed or distributed property or that is assumed by the Partnership or the Partnership Unit Holders), are computed in order to comply with such Treasury Regulations or any successor thereto, the General Partner may make such modification provided that it is unlikely to have a material effect on the amounts distributable to any Partnership Unit Holder.

ARTICLE VI

Distributions

6.1. Current Distributions.

(a) Current Tax Distributions. To the extent permitted by law and consistent with the Partnership's obligations to its creditors as reasonably determined by the General Partner, the Partnership shall make tax distributions on or before the Tax Distribution Dates, provided that except as provided in Section 6.1(c), no tax distributions shall be made to any Partnership Unit Holder in respect of any event that would give rise to a distribution under Sections 6.2 or 11.2(d). The aggregate amount of the tax distribution made with respect to any given Tax Distribution Date shall be the product of (i) the estimated federal taxable income of the Partnership under the provisions of the Code, as though the Partnership were an individual, for the portion of the Fiscal Period ending on the last day of the calendar month immediately preceding the

Tax Distribution Date and commencing on the first day of the calendar month that includes the immediately preceding Tax Distribution Date, multiplied by (ii) the Tax Rate. Notwithstanding the foregoing, to the extent the Partnership has had an estimated federal taxable loss for any prior Fiscal Period in that Fiscal Year, the amount in clause (i) above shall be reduced by that portion of the loss remaining after reducing taxable income for prior Fiscal Periods in such Fiscal Year for the loss. Each Partnership Unit Holder shall receive a tax distribution proportional with the amount of federal taxable income to be allocated to such Partnership Unit Holder pursuant to Section 7.2; provided that no tax distributions shall be made to a Partnership Unit Holder in respect of (x) any amounts distributed to such Partnership Unit Holder and treated as a "guaranteed payment" under Section 707(c) of the Code or (y) any allocations of gross income to such Partnership Unit Holder pursuant to Section 6 of *Appendix B*.

(b) Additional Tax Distributions. In the event any income tax return of the Partnership, as a result of an audit or otherwise, reflects items of income, gain, loss or deduction which are different from the amounts estimated for each Partnership Unit Holder pursuant to Section 6.1(a) with respect to the Fiscal Period of such return in a manner that results in additional income or gain of the Partnership being allocated to all or some of the Partnership Unit Holders, then to the extent permitted by law and consistent with the Partnership's obligations to its creditors as reasonably determined by the General Partner, an additional tax distribution shall be made under the principles of Section 6.1(a) to each Partnership Unit Holder to whom such additional income or gain is allocated, except that (i) the last day of the calendar month in which such adjustment occurs shall be treated as a Tax Distribution Date and (ii) the amount of such additional income or gain shall be treated as the federal taxable income of the Partnership. All additional tax distributions made to any Partnership Unit Holder pursuant to this Section 6.1(b) shall be treated as an advance against future distributions by the Partnership to such Partnership Unit Holder pursuant to Sections 6.1(d) and 6.2 and clauses (iii), (iv), (v), (vi) and (vii) of Section 11.2(d), and all distributions to such Partnership Unit Holder pursuant to Sections 6.1(d) and 6.2 and clauses (iii), (iv), (v), (vi) and (vii) of Section 11.2(d) shall be reduced by the amount of any such tax distributions advanced to such Partnership Unit Holder prior to or on the date of such distribution that have not previously been taken into account to reduce the amount of distributions pursuant to such aforementioned provisions.

(c) Special Tax Distributions. Where the anticipated federal, state and local taxes required to be paid by a Partnership Unit Holder in respect of its distributive share of the income and gain attributable to a Partial Capital Event exceed the cash distributions to any Partnership Unit Holder (the "Distributee Partner") pursuant to Section 6.2 for such Partial Capital Event (such excess amount, the "PCE Tax Shortfall"), the Partnership shall make an additional tax distribution, subject to the limitations set forth in Section 6.1(a), to the Distributee Partner in the amount equal to the PCE Tax Shortfall ("Special Tax Distribution"). The Special Tax Distribution shall be taken from the cash that would otherwise be distributed to the Preferred Unit Holders under Section 6.2(a); provided that in no event shall the Preferred Unit Holders receive, in the

aggregate, cash in an amount equal to less than the product of (A) their aggregate Percentage Interest at the time of the relevant Partial Capital Event and (B) the aggregate net proceeds of the relevant Partial Capital Event. Notwithstanding anything contained in this Agreement, all subsequent distributions to the Distributee Partner (other than Tax Distributions) shall be made to the Preferred Unit Holders until the Special Tax Distribution has been repaid to the Preferred Unit Holders.

(d) Other Current Distributions. Distributions, other than those made pursuant to Section 6.2 or Section 11.2, may be declared by the General Partner out of funds legally available therefor in such amounts and on such terms (including the payment dates of such distributions) as the General Partner shall determine and shall be made to the Partnership Unit Holders as of the close of business on such record date as the General Partner shall determine on a *pro rata* basis in accordance with each Partnership Unit Holder's Percentage Interest as of the close of business on such record date; provided that the General Partner shall have the obligation to make the distributions set forth in Sections 6.1(a), (b) and (c) and Sections 6.2 and 11.2; and provided, further, that, notwithstanding any other provision herein to the contrary, no distributions shall be made to any Partnership Unit Holder or former Partnership Unit Holder to the extent such distribution would render the Partnership insolvent or would otherwise violate the Act. For purposes of the foregoing sentence, insolvency shall mean the inability of the Partnership to meet its payment obligations when due. Promptly following the designation of a record date and the declaration of a distribution pursuant to this Section 6.1(d), the General Partner shall give notice to each Partnership Unit Holder of the record date, the amount and terms of the distribution and the payment date thereof.

(e) Bonus Make-Whole Adjustments. Notwithstanding anything to the contrary herein, each distribution after the Effective Time otherwise made and allocable pursuant to Section 6.1(d), Section 6.2 or Section 11.2(d)(iii) (i) to a Contributing Partner shall be reduced by such Contributing Partner's Bonus Responsible Share and (ii) to a Non-Contributing Partner shall be increased by such Non-Contributing Partner's Bonus Make-Whole Amount, provided that the maximum amount a Non-Contributing Partner may receive with respect to LP Units held at the Effective Time pursuant to this Section 6.1(e) shall equal such Non-Contributing Partner's Bonus Make-Whole Share as of the Effective Time.

6.2. Distributions in connection with a Partial Capital Event. So long as any Preferred Units shall remain outstanding, the General Partner shall promptly, and in any event within 20 days following the occurrence of a Partial Capital Event, notify the Partnership Unit Holders in writing that such Partial Capital Event has occurred and the amount of distributions, if any, to be distributed to such Partnership Unit Holder pursuant to this Section 6.2, and within 60 days after the completion of any Partial Capital Event, distribute the net proceeds thereof to the Partnership Unit Holders as of the close of business on such record date (which shall be reasonably proximate to the time of distributions pursuant to this Section 6.2) as the General Partner shall determine as follows:

(a) First, until the occurrence of the Preferred Units Preference Condition, whereupon all distributions in respect of Partial Capital Events shall be made in the manner described in Section 6.2(b) and (c), subject to the provisions of Section 6.1(c), 60% to the Preferred Unit Holders (in proportion to their respective Capital Accounts as of the record date) and 40% to the Other Unit Holders (in proportion to their respective Capital Accounts as of the record date), until the amount distributed on each Preferred Unit in respect of all Partial Capital Events equals the Preferred Unit Preference Amount. For the avoidance of doubt, the Preferred Unit Holders may decline all or any portion of a distribution to be made pursuant to this Section 6.1(a) by giving written notice to the General Partner within 10 days after receiving notice that a Partial Capital Event has occurred.

(b) Second, in the event that cash has been distributed pursuant to Section 6.2(a) and prior distributions pursuant to this Section 6.2(b) have not fully satisfied the Partnership's obligations under this Section 6.2(b) in respect of such distributions under Section 6.2(a), 100% to the Other Unit Holders, until the cumulative amount of all distributions to the Other Unit Holders made pursuant to Section 6.2(a) and this Section 6.2(b) in respect of all Partial Capital Events since the Effective Time equals the amount such Other Unit Holders would have received from all such distributions had each such distribution been made in accordance with the Partnership Unit Holders' respective Percentage Interests at the time of such distributions. Distributions to the Other Unit Holders pursuant to this Section 6.2(b) shall be in proportion to their respective Capital Accounts as of the record date for such distribution. Distributions made pursuant to Section 6.2(a) and this Section 6.2(b) (including advances, if any, on such distributions pursuant to Section 6.1) shall not exceed, in the aggregate, an amount equal to the quotient of (i) the product of (x) the Preferred Unit Preference Amount multiplied by (y) the number of Preferred Units outstanding at the time of the initial distribution pursuant to Section 6.2(a) divided by (ii) the aggregate Percentage Interest of the Preferred Unit Holders at the time of the initial distribution pursuant to Section 6.2(a).

(c) Third, to the Partnership Unit Holders in proportion to their respective Capital Accounts as of the record date, provided that if in respect of any Partial Capital Event no distribution is required pursuant to Section 6.2(a) or (b), no distribution shall be required in respect of such Partial Capital Event.

6.3. Liquidating Distribution. In the event the Partnership is liquidated pursuant to Article XI, liquidating distributions shall be made pursuant to Section 11.2(d).

6.4. Nature of Distributions. Other than distributions pursuant to Sections 6.1(a), 6.1(b) and 6.1(c), which shall be made in cash, and Section 6.3, which shall be made as set forth in Section 11.2(d), subject to Section 12.1(a)(iii), the Partnership may make distributions in kind; provided that, in the event of any such in-kind distribution, all recipients of such distribution shall receive the same general form of consideration.

6.5. Restrictions on Distributions. Notwithstanding any provision to the contrary in this Agreement, the Partnership, and the General Partner on behalf of the Partnership,

shall not make a distribution to any Partnership Unit Holder on account of its Partnership Units or other interest in the Partnership to the extent that such distribution would violate the Act or other applicable law.

ARTICLE VII

Allocation of Items of Income, Gain, Loss and Deduction for Capital Account Purposes

7.1. Capital Account Allocations. Except as provided in Section 5.1(c) and *Appendix B* hereto, for Capital Account purposes, all items of income, gain, loss and deduction shall be allocated among the Partnership Unit Holders in accordance with their Percentage Interests, provided that:

(a) if and to the extent the allocation of any loss or deduction to the Preferred Unit Holders would cause the Capital Account balance in respect of any Preferred Unit outstanding at the time to fall below the sum of (i) until the occurrence of the Preferred Units Preference Condition, the Preferred Unit Preference Amount, (ii) any Pre-IPO Accrued and Undistributed Profits allocated to such Preferred Unit and (iii) any Post-IPO Accrued and Undistributed Profits allocated to such Preferred Unit, the allocation of such loss or deduction otherwise allocable to the Preferred Unit Holders will instead be allocated to the Other Unit Holders having positive Capital Account balances in proportion to their Percentage Interests, provided that no losses or deductions shall be allocated pursuant to this Section 7.1(a) to any Other Unit Holder if and to the extent such allocation would cause the Capital Account balance in respect of any GP Unit or Common Unit outstanding at the time to fall below the sum of (i) any Pre-IPO Accrued and Undistributed Profits allocated to such Partnership Unit and (ii) any Post-IPO Accrued and Undistributed Profits allocated to such Partnership Unit, and

(b) to the extent any distributions are adjusted pursuant to Section 6.1(e) or returned pursuant to the Unit and Share Purchase Agreement, an amount of income that otherwise would have been allocated to Contributing Partners whose distributions were reduced or returned shall instead be allocated in an amount equal to such reduction or return to Non-Contributing Partners whose distributions were increased.

7.2. Tax Allocations. For federal, state and local income tax purposes, items of income, gain, loss, deduction and credit shall be allocated to the Partnership Unit Holders in accordance with the allocations of the corresponding items for Capital Account purposes under Section 7.1, except that items with respect to which there is a difference between tax basis and Carrying Value will be allocated in accordance with Section 704(c) of the Code, the Treasury Regulations thereunder, and Treasury Regulations Section 1.704-1(b)(4)(i).

7.3. Guaranteed Payments. Any payment of salary, bonus or taxable fringe benefits made by the Partnership or its Subsidiaries to a Partnership Unit Holder shall be treated as a “guaranteed payment” under Section 707(c) of the Code. For the avoidance of doubt,

distributions to the Preferred Unit Holders shall not be treated as "guaranteed payments" under Section 707(c) of the Code.

ARTICLE VIII

Records and Accounting

8.1. Books and Records. The General Partner, at the Partnership's cost and expense, shall maintain or cause to be maintained accurate books and records of the Partnership and each Subsidiary at the principal place of business of the General Partner or such other place as the General Partner shall reasonably determine. Such books and records shall be open to the inspection of each Partnership Unit Holder in person or by its duly authorized representatives at such place during regular business hours within a reasonable time after receipt of a written request for such inspection. Any expense for any inspection (including any copying of such records) shall be borne by the Partnership Unit Holder causing such inspection to be conducted.

8.2. Fiscal Year. Unless otherwise required by law, the Fiscal Year of the Partnership and its Subsidiaries shall be an annual period ending on December 31.

8.3. Reports to Limited Partners. The General Partner shall cause to be prepared, at the Partnership's expense, and shall use its best efforts to deliver to each Limited Partner (other than the items specified in clauses (a)(ii) and (c) below which shall only be delivered to the Original H&F Holders), the following:

(a) Annual Report. Within 90 days after the end of each Fiscal Year, (i) an annual report containing the audited consolidated financial statements of the Partnership and its Subsidiaries prepared in accordance with GAAP and accompanied by a report thereon containing the opinion of an independent accounting firm (the "Audited Financial Statements"), and (ii) an opinion or opinions from the independent accounting firm in connection with the preparation of the Audited Financial Statements as to (A) the GAAP capital accounts of the Preferred Unit Holders having been maintained in accordance with applicable law and the terms of this Agreement and (B) such Preferred Unit Holders' GAAP capital account balance as of the end of such Fiscal Year.

(b) Tax Return Information. Within 82 days after the end of each Fiscal Year, information necessary (or reasonably requested by a Partnership Unit Holder) as a result of the Partnership Unit Holder's investment in the Partnership for the preparation by the Partnership Unit Holders of their income tax returns. After the end of each Fiscal Year, upon reasonable request of Preferred Unit Holders holding a majority of Preferred Units, the Partnership will use its commercially reasonable efforts to provide to the Preferred Unit Holders good faith estimates of the information required to be provided pursuant to the first sentence of this Section 8.3(b).

(c) Interim Reports. Within 45 days after the end of each quarter (other than the fourth quarter), unaudited consolidated financial statements of the Partnership and its Subsidiaries for such quarter.

8.4. Investment of Partnership Funds. All funds of the Partnership and its Subsidiaries shall be either (i) deposited in the name of the Partnership or the applicable Subsidiary in such accounts as shall be designated by the General Partner or (ii) invested at the General Partner's discretion. Withdrawals therefrom shall be made solely by such officers of the Partnership or of the applicable Subsidiary, as applicable, or other duly appointed individuals as the General Partner may designate.

8.5. Tax Matters Partner. The General Partner shall be the "tax matters partner," as that term is defined in Code Section 6231(a)(7) (the "Tax Matters Partner") with all of the rights, duties and powers provided for in Code Sections 6221 through 6232, inclusive. The Tax Matters Partner, as an authorized representative of the Partnership, shall direct the defense of any claims made by the Internal Revenue Service to the extent that such claims relate to the adjustment of Partnership items at the Partnership level and, in connection therewith, may retain and pay the fees and expenses of counsel and other advisors chosen by the Tax Matters Partner from Partnership funds. Notwithstanding the foregoing, the Tax Matters Partner shall require the consent of the General Partner and the holders of a majority of the Class A Common Units, the Class B Common Units, the Class D Common Units and the Preferred Units, each voting as a separate class, on matters that materially adversely affect the allocation of the basis step-up in the Partnership assets under Sections 734 and 743 of the Code; provided, however, that any such allocation shall be made only in accordance with all provisions of the Code, and any other law (federal, state or local), the regulations thereunder and any administrative guidance issued by any regulatory authority. The General Partner shall promptly deliver to each Limited Partner a copy of all notices and communications with respect to income or similar taxes received from the Internal Revenue Service or other taxing authority relating to the Partnership which might materially adversely affect such Limited Partners, and consult with, and consider in good faith the recommendation of any such materially and adversely affected Preferred Unit Holder in respect of the defense of any claim. All expenses of the Tax Matters Partner (including reasonable disbursements) and other fees and expenses in connection with such defense shall be borne by the Partnership. Neither the Tax Matters Partner nor the Partnership shall be liable for any additional tax, interest or penalties payable by a Partnership Unit Holder or any costs of separate counsel chosen by such Partnership Unit Holder to represent the Partnership Unit Holder with respect to any aspect of such challenge.

ARTICLE IX

Management of the Partnership; Rights and Duties of the General Partner

9.1. Management Powers of the General Partner. Except as otherwise expressly provided herein, the General Partner (a) shall have the exclusive authority to manage and conduct the business of the Partnership, including the sole authority to manage, control and administer the day-to-day business and affairs of the Partnership, (b) is hereby authorized and vested with the power on behalf of the Partnership to do all acts necessary or incidental to the carrying out of the business of the Partnership, and (c) shall have all of the rights and powers of a

general partner of a limited partnership under the Act, including the authority, right and power to make, do or perform the following:

(i) lease real property and buy, sell or lease personal property in connection with the Partnership's business;

(ii) borrow money and procure temporary, permanent, conventional or other financing for purposes of financing the operations and development of the Partnership's business, on such terms and conditions and at such rates of interest as it deems appropriate in connection therewith and if security is required therefor, mortgage or grant any other security interest in and to any portion of the property or assets of the Partnership;

(iii) cause property acquired by the Partnership to be taken and held in the Partnership's name or in the name of nominees or trustees, provided that said property shall nevertheless be Partnership property subject to this Agreement;

(iv) subject to Section 8.5, bring, defend, settle, compromise or otherwise participate in any and all actions, proceedings or investigations, whether at law, in equity or both, or before any Governmental Authority or agency, and whether brought against the Partnership or the General Partner, arising out of, connected with or related in any way to the business and affairs of the Partnership or the enforcement or protection of interests in the Partnership; the decision to settle or compromise in such a controversy and the terms and circumstances of such settlement or compromise shall be solely the decision of the General Partner, as shall the decision to appeal to the court of last resort any decision adverse to the interest of the Partnership;

(v) employ such persons, firms or corporations and fix their reasonable compensation as may be necessary for the preparation of the Partnership's financial statements, tax returns and reports and to carry on the business and accomplish the purposes of the Partnership;

(vi) appoint officers of the Partnership, and delegate duties and grant authority to such officers of the Partnership;

(vii) pay out of Partnership funds all fees and expenses necessary to carry on the business and to accomplish the purposes of the Partnership, including, without limitation, Partnership administration;

(viii) open accounts and deposit and maintain funds in the name of the Partnership in banks, savings and loan associations, brokerage firms or other financial institutions; and

(ix) exercise the powers of the Partnership as an equity holder, member, manager, limited partner or general partner, as the case may be, of its Subsidiaries.

The General Partner, as determined by its board of directors, may delegate to its officers or to the officers of the Partnership any of the foregoing authority, rights and powers.

9.2. Liability to Partnership Unit Holders and Partnership. In the absence of fraud, willful misconduct or gross negligence, neither the General Partner nor any officers or directors of the General Partner shall be liable to the Partnership Unit Holders or the Partnership for (i) any mistake in judgment or (ii) any action or inaction taken or omitted in the course of performing its duties under this Agreement or in connection with the business of the Partnership. In addition, neither the General Partner nor any officers or directors of the General Partner shall be liable to the Partnership Unit Holders or the Partnership for any loss due to the mistake, negligence, dishonesty, fraud or bad faith of any employee, broker or other agent of the Partnership selected by the General Partner without willful misconduct or gross negligence on the part of the General Partner or such officer or director.

9.3. Indemnification.

(a) The General Partner, Artisan Investment Corporation, former Advisory Committee members, any officers or directors of the General Partner or Artisan Investment Corporation and their respective heirs, successors and assigns will be indemnified and held harmless by the Partnership against any losses, damages, costs or expenses (including reasonable attorneys' fees, judgments, fines and amounts paid in settlement) actually incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative (including any action by or on behalf of the Partnership) arising as a result of their being the General Partner, the former general partner, a former Advisory Committee member, or an officer or director of the General Partner or the former general partner to the maximum extent that they could be indemnified if the Partnership were a Delaware corporation and they were directors of such corporation. In addition, the Partnership shall pay the costs or expenses (including reasonable attorneys' fees) incurred by the parties indemnified herein in advance of a final disposition of such matter so long as such indemnified party undertakes to repay such expenses if he or she is adjudicated not to be entitled to indemnification.

(b) An officer or employee of, and any Persons whose full-time or part-time professional efforts are devoted to providing services to, the Partnership or any Subsidiary of the Partnership will be indemnified by the Partnership against any losses, damages, costs or expenses (including reasonable attorneys' fees, judgments, fines and amounts paid in settlement) actually incurred in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal or administrative arising as a result of their being an officer or employee of the Partnership; provided, however, that no such Person shall be so indemnified or reimbursed for any claim, obligation or liability which shall have been finally adjudicated to have arisen out of or been based

upon the intentional misconduct, gross negligence, fraud or knowing violation of law by such Person. In addition, the Partnership shall pay the costs or expenses (including reasonable attorneys' fees) incurred by such Persons indemnified herein in advance of a final disposition of such matter so long as such Person undertakes to repay such expenses if he or she is adjudicated not to be entitled to indemnification; provided, however, that such Person gives prompt notice thereof, executes such documents and takes such action as will permit the Partnership to conduct the defense or settlement thereof and cooperates therein.

9.4. Non-Exclusive Remedy. The right of indemnification provided hereby shall not be exclusive of, and shall not affect, any other rights to which any Partnership Unit Holder or other Person indemnified hereunder may be entitled. Nothing contained in this Article IX shall limit any lawful rights to indemnification existing independently of this Article IX. No amendment, modification or repeal of Section 9.3 or this Section 9.4 shall adversely affect the indemnification rights of any Partnership Unit Holder or Person hereunder with respect to any claim giving rise to such rights that arises prior to the time of such amendment, modification or repeal.

9.5. Other Permissible Activities. Except to the extent otherwise provided in any agreement between a Partnership Unit Holder and the Partnership, any Limited Partner (except for the Class B Common Unit Holders) and any officer or director of any such Limited Partner or the General Partner may (either directly or through its Affiliates) engage in or possess interests in other business ventures of every kind and description for its own account, including, without limitation, investing in other entities that engage in, or directly engaging in, institutional and retail investment management. Neither the Partnership nor any of the Partnership Unit Holders shall have any rights by virtue of this Agreement in or to such other business ventures or to the income or profits derived therefrom. Except for the General Partner and the Class B Common Unit Holders, each Partnership Unit Holder and each such Partnership Unit Holder's Affiliates, in any such Person's capacity as a Partnership Unit Holder or an Affiliate of a Partnership Unit Holder, and any officer, director, agent, member or partner of a Class A Common Unit Holder, Class D Common Unit Holder, Class E Common Unit Holder or Preferred Unit Holder, in such Person's capacity as a director of the General Partner (a "Director Representative"), shall have no obligation to the Partnership to present any business opportunity to the Partnership, even if the opportunity is one that the Partnership might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and no such Person, in such Person's capacity as a Partnership Unit Holder or an Affiliate of a Partnership Unit Holder (or, to the fullest extent permitted by law and the Certificate of Incorporation of the General Partner, in a Director Representative's capacity as a director of the General Partner), shall be liable to the Partnership or any Partnership Unit Holder for breach of any fiduciary or other duty (if any), as a Partnership Unit Holder or otherwise, by reason of the fact that such Person pursues or acquires such business opportunity, directs such business opportunity to another Person or fails to present such business opportunity, or information regarding such business opportunity, to the Partnership, notwithstanding any other provisions of this Agreement, at law (whether common or statutory), in equity or otherwise. The General Partner will not engage in any business activity other than the management and ownership of the

Partnership and its Subsidiaries, or own any assets (other than on a temporary basis) other than Partnership Units, cash or cash-like instruments, provided that the General Partner may take any action (including incurring its own indebtedness) or own any asset if it determines in good faith that such actions or ownership are in the best interest of the Partnership.

9.6. Expenses. The General Partner shall be entitled to reimbursement from the Partnership for the General Partner's operating expenses, overhead and other fees and expenses. Without limiting the foregoing sentence, at the General Partner's sole discretion, cash distributions may be made to the General Partner (which distributions shall be made without pro rata distributions to the other Partnership Unit Holders) in amounts required for the General Partner to pay (a) operating, administrative and other similar costs incurred by the General Partner, including payments representing interest with respect to payments not made when due under the terms of the Tax Receivable Agreements and payments pursuant to any legal, tax, accounting and other professional fees and expenses, (b) any judgments, settlements, penalties, fines or other costs and expenses in respect of any claims against, or any litigation or proceedings involving, the General Partner, (c) fees and expenses related to any securities offering, investment or acquisition transaction (whether or not successful) authorized by the board of directors of the General Partner and (d) other fees and expenses in connection with the maintenance of the existence of the General Partner (including any costs or expenses associated with being a public company listed on a national securities exchange). Notwithstanding anything to the contrary herein, any distributions made to the General Partner pursuant to this Section 9.6 shall be in addition to any distributions the General Partner is otherwise entitled to as a Partnership Unit Holder and shall create no obligation for the Partnership to make any additional distribution to the Limited Partners.

ARTICLE X

Limited Partners

10.1. Limited Liability. Except as provided in the Act, no Limited Partner shall be obligated personally for any of the debts, obligations and liabilities of the Partnership, whether arising in contract, tort or otherwise. The Limited Partners shall take no part in the "control of the business" of the Partnership (which phrase shall have the meaning assigned to it under the Act) or otherwise take any action that would make the Limited Partner liable for the obligations of the Partnership under the Act. The exercise by any Limited Partner of any right conferred herein shall not be construed to constitute participation by such Limited Partner in the conduct or control of the business of the Partnership so as to make such Limited Partner liable as a general partner for the debts and obligations of the Partnership for purposes of the Act. If appointed pursuant to this Agreement, a Limited Partner may serve as an officer of the Partnership. To the fullest extent permitted by law, no officer in its capacity as a Limited Partner or otherwise, shall be deemed to participate in the "control of the business" or affairs of the Partnership so as to make such Person liable as a general partner for the debts and obligations of the Partnership for purposes of the Act, and no such officer of the Partnership shall constitute a general partner of the Partnership or be liable for the obligations of the Partnership.

10.2. No Withdrawal. Other than with respect to the exchange provisions set forth in Section 3.2 or the Transfer provisions set forth in Article XIII, a Limited Partner shall not have the right to withdraw from the Partnership.

ARTICLE XI

Dissolution and Termination

11.1. Dissolution. The Partnership shall be dissolved and its affairs wound up upon the first to occur of:

(a) the sale of all or substantially all of the Partnership's assets;

(b) the Bankruptcy of the General Partner or the occurrence of any other event that results in the General Partner ceasing to be a general partner under the Act (each, an "Event of Withdrawal"), provided that the Partnership shall not be dissolved and required to be wound up in connection with any of the events specified in this Section 11.1(b) if, within 90 days after the Event of Withdrawal, the holders of at least a majority of the Class A Common Units, the Class B Common Units, the Class D Common Units and the Preferred Units, each voting as a separate class, consent in writing to continue the business of the Partnership and to the appointment, effective as of the Event of Withdrawal, of one or more additional General Partners;

(c) the entry of a decree of judicial dissolution pursuant to Section 17-802 of the Act;

(d) at any time there are no limited partners of the Partnership; or

(e) the consent of the General Partner and the consent of the holders of at least a majority of the Class A Common Units, the Class B Common Units, the Class D Common Units and the Preferred Units, each voting as a separate class.

11.2. Distribution of Assets Upon Termination.

(a) Upon the dissolution of the Partnership pursuant to Section 11.1, unless the Partnership is continued pursuant to Section 11.1(b), the General Partner (or if there is none or if such dissolution occurred pursuant to Section 11.1(c), a Person approved by Limited Partners holding a majority of the outstanding Partnership Units, voting together as a single class and group, to act as a liquidating trustee of the Partnership (the "Liquidating Trustee")), shall proceed diligently to wind up the affairs of the Partnership and distribute its assets in accordance with the provisions of Section 11.2(d).

(b) All saleable assets of the Partnership may be sold in connection with any dissolution at public or private sale or at such price and upon such terms as the General Partner or the Liquidating Trustee, as the case may be, may deem advisable. A Partnership Unit Holder or any partnership, corporation or other entity in which a

Partnership Unit Holder is in any way interested may purchase assets at such sale. The General Partner or the Liquidating Trustee, as the case may be, in its sole and absolute discretion, may in accordance with Section 11.2(d) distribute the assets of the Partnership in kind on the basis of the Fair Market Value thereof.

(c) Profits and Losses (and the related items of income, gain, loss and deduction, as determined in accordance with Section 5.3) of the Partnership in connection with any dissolution shall be determined as of the end of the period of winding up in accordance with the provisions of this Agreement and shall be credited or charged to the respective Capital Accounts (respectively) of the Partnership Unit Holders.

(d) Upon the dissolution and winding up of the Partnership, the assets of the Partnership shall be distributed in the following order of priority to the extent available:

(i) First, to creditors of the Partnership in satisfaction of any debts and liabilities of the Partnership (except for any loans made by Partnership Unit Holders), whether by payment or the making of reasonable provision for payment thereof (which may include the establishment of any reserve which the General Partner or the Liquidating Trustee deems necessary in its sole discretion to provide for any contingent, conditional or unmatured liabilities or obligations of the Partnership; at the expiration of such period of time as the General Partner or the Liquidating Trustee, as the case may be, deems advisable, the balance remaining in any such reserve after payment of any such liabilities and obligations shall be distributed in the manner hereinafter set forth in this Section 11.2(d)).

(ii) Second, to the Partnership Unit Holders that have made loans to the Partnership *pro rata* (in accordance with the amount of principal of such loans then outstanding) until each shall have received the outstanding principal of, and accrued and unpaid interest on, such loans.

(iii) Third, subject to Section 6.1(e), in the event that the Partnership has Post-IPO Accrued and Undistributed Profits, to the Partnership Unit Holders in accordance with their Percentage Interests at the time the Post-IPO Accrued and Undistributed Profits were earned or accrued (as determined by the General Partner) until the Partnership has distributed all Post-IPO Accrued and Undistributed Profits; provided that if a Partnership Unit Holder Transfers or exchanges a Partnership Unit subsequent to the Partnership earning or accruing profits but prior to the distribution of such profits, the transferee (including, in the case of an exchange, the General Partner) shall be entitled to the Post-IPO Accrued and Undistributed Profits associated with the Partnership Unit so Transferred or exchanged.

(iv) Fourth, to the Partnership Unit Holders in proportion to their interests in the Grossed-Up Pre-IPO Profits until the Partnership has distributed all Grossed-Up Pre-IPO Profits. The General Partner's interest in the Grossed-Up

Pre-IPO Profits shall equal the sum of (w) Net Grossed-Up Pre-IPO Profits and (x) any portion of the Limited Partners' interests in the Pre-IPO Accrued and Undistributed Profits transferred to the General Partner. A Limited Partner's interest in the Grossed-Up Pre-IPO Profits shall equal the sum of (y) the Limited Partner's portion of Pre-IPO Accrued and Undistributed Profits set forth in the Capital Account Register as of the IPO Effective Time, and (z) any portion of the Limited Partners' interests in the Pre-IPO Accrued and Undistributed Profits transferred to such Limited Partner; provided that if a Limited Partner Transfers or exchanges a Partnership Unit for Class A Common Stock or Convertible Preferred Stock subsequent to the IPO Effective Time but prior to the distribution of such Pre-IPO Accrued and Undistributed Profits, the transferee (including, in the case of an exchange, the General Partner) shall be entitled to the Pre-IPO Accrued and Undistributed Profits associated with the Partnership Unit so Transferred or exchanged (subject, in the case of the General Partner, to any rights of holders of securities of the General Partner in respect of such Pre-IPO Accrued and Undistributed Profits). For the avoidance of doubt, the aggregate amount distributed under this Section 11.2(d)(iv) with respect to Limited Partners' interests in the Grossed-Up Pre-IPO Profits shall not exceed the aggregate amount of Pre-IPO Accrued and Undistributed Profits.

(v) Fifth, 100% to the Preferred Unit Holders (in proportion to their respective Capital Account balances), until the amount distributed on each Preferred Unit, including any preferential distributions previously made pursuant to Section 6.2(a), equals the Preferred Unit Preference Amount; provided that no distributions shall be made pursuant to this Section 11.2(d)(v) following the Preferred Units Preference Condition (whereupon, all further distributions shall be made in the manner described in clauses (vi) and (vii) below).

(vi) Sixth, in the event that any amounts were ever distributed pursuant to Section 6.2(a) or Section 11.2(d)(v), 100% to each of the Other Unit Holders (in proportion to their respective Capital Account balances), until the cumulative amount of all distributions made, or deemed to have been made, to such Other Unit Holders pursuant to Section 6.2(a) and Section 6.2(b) in respect of all Partial Capital Events since the Effective Time and this Section 11.2(d)(vi) equals the amount such Other Unit Holders would have received from all such distributions had each such distribution been made in accordance with the Partnership Unit Holders' respective Percentage Interests at the times of such distributions. Distributions made pursuant to Section 6.2(a), Section 6.2(b), Section 11.2(d)(v) and this Section 11.2(d)(vi) shall not exceed, in the aggregate, an amount equal to the quotient of (i) the product of (x) the Preferred Unit Preference Amount multiplied by (y) the number of Preferred Units outstanding at the time of the initial distribution, if any, pursuant to Section 7.2(a) or, if no such distribution pursuant to Section 6.2(a) has been made, at the time of the first distribution pursuant to Section 11.2(d)(v) divided by (ii) the aggregate

Percentage Interest of the Preferred Unit Holders at the time of the initial distribution referenced in the preceding clause (y).

(vii) Seventh, to the Partnership Unit Holders in proportion to their respective Capital Account balances.

(e) All distributions pursuant to Section 11.2(d) shall be made as soon as reasonably practicable following the dissolution of the Partnership, and in any event no later than the last day of the Fiscal Year in which the dissolution occurs or, if later, on the 90th day after the dissolution date.

(f) Notwithstanding any other provision of this Agreement to the contrary, (i) a sale of all of or substantially all the Partnership Units, (ii) a merger or consolidation or similar business combination or conversion of or involving the Partnership or (iii) any other sale or other disposition (directly or indirectly, whether by operation of law or otherwise) of all or substantially all of the Partnership's assets or business (other than in connection with a formal dissolution of the Partnership) shall be deemed a complete liquidation of the Partnership and neither the Partnership nor the General Partner shall authorize or permit the Partnership to enter into any such transaction unless in connection therewith appropriate provisions have been made so that, in the case of a transaction referred to in clause (i) or (ii) above, the aggregate net proceeds payable to holders of Partnership Units in such transaction (taking into account the value of any Partnership Units retained immediately after completion of such transaction) or, in the case of a transaction referred to in clause (iii) above, the assets of the Partnership, shall be distributed in the manner specified in Section 11.2(d), except for de minimis variations therefrom.

ARTICLE XII

Voting and Class Approval Rights

12.1. Voting and Class Approval Rights.

(a) The consent of the General Partner and the consent of the holders of a majority of the Class A Common Units, the Class B Common Units, and the Class D Common Units, each voting as a separate class, are required to take any of the following actions:

(i) engage in a sale, transfer, conveyance or disposition of Partnership assets or assets of a Subsidiary, whether or not in contemplation of or in connection with a liquidation or dissolution of the Partnership, the Fair Market Value of which is greater than the 25% of the Fair Market Value of all of the assets of the Partnership and its Subsidiaries, or any merger, consolidation or other similar business combination involving the Partnership or a material Subsidiary whereby the then existing Partnership Unit Holders would have less

than a 75% direct or indirect interest in the equity of the Partnership or any material Subsidiary;

(ii) except as required by or pursuant to Section 3.1, Section 3.2, Section 3.3 or Section 3.4, redeem or issue additional Partnership Units or interests in any Subsidiary, reclassify or create additional classes of Partnership Units or interests in any Subsidiary (except with respect to interests that are or will be held by the Partnership or any of its wholly-owned Subsidiaries); provided that, without the consent of the Limited Partners or any class thereof, the Partnership may (i) issue additional Partnership Units the issuance of which has been approved by the shareholders of the General Partner (including, for the avoidance of doubt, the issuance of additional Partnership Units pursuant to compensation plans of the General Partner that have been approved by the shareholders of the General Partner) and preferred units that are expressly junior in rights to the Preferred Units with respect to distribution rights and rights in liquidation of the Partnership, (ii) redeem Partnership Units from the General Partner if the General Partner uses the proceeds of such redemption to repurchase shares of its Class A Common Stock or Convertible Preferred Stock, (iii) from and after the date on which any person ceases to provide any services to the Partnership or any Subsidiary of the Partnership, redeem or reclassify Partnership Units that are held by such person, (iv) issue, redeem or reclassify interests in any Subsidiary of the Partnership that will be or are held by persons providing (or who formerly provided) services to the applicable Subsidiary of the Partnership, provided that the amount and terms of each such issuance, redemption or reclassification with respect to any such person have been approved by the board of directors of the General Partner or a committee thereof, and (v) after July 1, 2016, issue, redeem or reclassify Partnership Units or interests in any Subsidiary of the Partnership that will be or are held by persons providing (or who formerly provided) services to the Partnership or any Subsidiary of the Partnership, provided that such issuance, redemption or reclassification has been approved by the board of directors of the General Partner or a committee thereof; or

(iii) make any in-kind distributions;

provided that, in each case, (i) if any of the foregoing actions affect only certain classes of Partnership Units, only the approval of the General Partner and the affected classes is required for such action to be taken and (ii) the consent of a particular class of Partnership Units shall be required only if such class of Partnership Units represents at least 5% of the outstanding Partnership Units.

(b) The General Partner agrees, for the benefit of the holders of its Convertible Preferred Stock, that it shall vote the Preferred Units it holds pursuant to the directions of the holders of a majority of the outstanding shares of Convertible Preferred Stock on any occasion in which Preferred Unit Holders have the right to vote under this Agreement or the Act. For the avoidance of doubt, when voting in its capacity as the

holder of Preferred Units, the General Partner shall be deemed a Limited Partner and, in such capacity, the General Partner (and the holders of the Convertible Preferred Stock in so instructing the General Partner) shall have no duties (including fiduciary duties) to the Partnership, any Partnership Unit Holder or any other Person notwithstanding any other provision in this Agreement, at law (whether common or statutory), in equity or otherwise.

ARTICLE XIII

Transferability of Partnership Units

13.1. Restrictions on Transfers. Other than as provided in Article III, no Transfer of all or any part of a Partnership Unit may be made except as provided in this Article XIII. GP Units may be issued only to the General Partner and are non-transferable. Notwithstanding anything to the contrary in this Article XIII, (i) the Exchange Agreement shall govern the exchange of Partnership Units for shares of Class A Common Stock or Convertible Preferred Stock, and an exchange pursuant to and in accordance with the Exchange Agreement shall not be considered a "Transfer" for purposes of this Agreement, (ii) the Certificate of Incorporation of APAM shall govern the conversion of Convertible Preferred Stock into Class A Common Stock, and a conversion pursuant to and in accordance with the Certificate of Incorporation of APAM shall not be considered a "Transfer" for purposes of this Agreement, and (iii) the Resale and Registration Rights Agreement shall govern the transfer of Registrable Securities (as defined therein).

13.2. Permitted Transfers of LP Units. Subject to the provisions of this Section 13.2, Section 13.4 and Section 13.5, a Limited Partner may Transfer all or a portion of its LP Units to the following:

(a) if such transferring Limited Partner is an individual, (1) his spouse or children, or a trust for the benefit of the transferring Limited Partner, his spouse or lineal descendants, or (2) with the consent of the General Partner, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by sub-clause (1) above;

(b) if such transferring Limited Partner is Artisan Investment Corporation or a permitted transferee of Artisan Investment Corporation, to (1) the Zieglers, their respective spouse or child or a trust for the benefit of the foregoing or lineal descendants thereof, or (2) with the consent of the General Partner, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by sub-clause (1) above;

(c) if such transferring Limited Partner is Sutter Hill Ventures or Frog & Peach Investors LLC, following the First Year Lock-Up Expiration Date, to partners or members of Sutter Hill Ventures or Frog & Peach Investors LLC, respectively;

(d) if such transferring Limited Partner is one of the Original H&F Holders, to its Affiliates or, following the First Year Lock-Up Expiration Date, to partners of the Original H&F Holders or other funds Affiliated with such Original H&F Holder.

13.3. Prohibited Transfers.

(a) Notwithstanding any other provisions of this Article XIII, no Limited Partner may Transfer all or any of its LP Units, except as provided in Article III, unless such Limited Partner shall have delivered an opinion of counsel (who may be counsel for the Partnership) or, with respect to tax matters, an opinion of a qualified tax advisor (who may be the tax advisor to the Partnership) satisfactory in form and substance to the General Partner, to the effect that:

(i) such Transfer, when added to the total of all other Transfers of LP Units within the preceding twelve (12) months, would not result in the Partnership being considered to have terminated within the meaning of Section 708 of the Code;

(ii) such Transfer would not violate the registration or qualification provisions of the Securities Act or of any state securities or "Blue Sky" laws applicable to the Partnership or to the LP Units to be Transferred;

(iii) such Transfer would not cause the Partnership to lose its status as a partnership for federal income tax purposes or cause the Partnership to become subject to the Investment Company Act of 1940, as amended;

(iv) such Transfer would not cause the Partnership to be treated as a publicly traded partnership under Code Section 7704(b); and

(v) such Transfer would not result in any class of equity security of the Partnership being held of record by 500 or more Persons;

any such opinion of counsel or tax advisor, as applicable, to be delivered in writing to the Partnership not less than ten (10) days prior to the date of the Transfer. Each Limited Partner hereby severally agrees that it will not Transfer any LP Units except as permitted by this Agreement, and that any purported Transfer in violation of this Agreement shall be null and void. All or any portion of this Section 13.3(a) may be waived by the General Partner.

(b) No Partnership Unit Holder may Transfer any Partnership Units to any Person unless such Partnership Unit Holder Transfers to the same Person a number of shares of Class B Common Stock or Class C Common Stock.

13.4. Transferees.

(a) The Partnership shall not recognize for any purpose any purported Transfer of any Partnership Unit unless the provisions of Sections 13.1 through 13.4, inclusive, shall have been complied with and there shall have been filed with the Partnership a dated notice of such Transfer, in form satisfactory to the General Partner, executed and acknowledged by both the seller, assignor or transferor and the purchaser, assignee or transferee, and such notice contains (i) the acceptance by the purchaser, assignee or transferee of all of the terms and provisions of this Agreement applicable to it, including the provisions of Section 14.8 and its agreement to be bound hereby, (ii) a representation that such Transfer was made in accordance with all applicable laws and regulations, (iii) a joinder to the Exchange Agreement executed by the purchaser, assignee or transferee pursuant to and in accordance with the Exchange Agreement, and (iv) a power of attorney granted by the purchaser, assignee or transferee to the General Partner to execute this Agreement on its behalf.

(b) Unless and until an assignee of a Partnership Unit shall have been admitted to the Partnership as a Substituted Limited Partner pursuant to Section 13.5, such assignee shall be entitled only to the economic rights of an assignee of a Partnership Unit under Section 17-702(a)(3) of the Act and any successor provision, and such assignee shall not have the power or right to exercise, or to compel by legal action or otherwise the assigning Partnership Unit Holder to exercise, any rights or powers of a Partnership Unit Holder, including without limitation the right to give consents with respect to such Partnership Unit; provided, however, that in any event a Person acquiring a Partnership Unit shall have only such rights as and shall be subject to all the obligations as are set forth in this Agreement, and, without limiting the generality of the foregoing, such Person shall not have any right to partition of the Partnership's assets or to have the value of its Partnership Unit ascertained or receive the value of such Partnership Unit.

(c) Unless and until a Substituted Limited Partner is admitted in place of such assigning Limited Partner, such assigning Limited Partner shall not cease to be a Limited Partner or cease to have any of the rights or obligations of a Limited Partner hereunder.

(d) Anything herein to the contrary notwithstanding, both the Partnership and the General Partner shall be entitled to treat the assignor of any Partnership Units as the absolute owner thereof in all respects, and shall incur no liability for distributions made in good faith to it, until such time as a written notice of the Transfer that conforms to the requirements of this Article XIII has been received by the Partnership and accepted by the General Partner.

(e) A Person who is the assignee of a Partnership Unit as permitted hereby but does not become a Substituted Limited Partner and who desires to make a further Transfer of such Partnership Unit, shall be subject to all of the provisions of this Article XIII to the same extent and in the same manner as any Limited Partner desiring to make a Transfer of its Partnership Unit.

13.5. Substituted Limited Partner.

(a) No Limited Partner shall have the right to substitute a purchaser, assignee, transferee, donee, heir, legatee, distributee or other recipient of all or any part of such Limited Partner's Partnership Units as a Limited Partner in its place. Any such purchaser, assignee, transferee, donee, heir, legatee, distributee or other recipient of a Partnership Unit (whether pursuant to a voluntary or involuntary Transfer) shall be admitted to the Partnership as a Substituted Limited Partner only (i) with the consent of the General Partner, which consent may be given or withheld in its sole and absolute discretion, (ii) by satisfying the requirements of Section 13.3, Section 13.4 and subsection (b) of this Section 13.5, and (iii) upon an update by the General Partner of the Register and the Partnership's certificate of limited partnership, if required to preserve the limited liability of the Limited Partners, all of which acts under this clause (iii) shall be done promptly, and (iv) upon execution of this Agreement or a counterpart hereof.

(b) Each Substituted Limited Partner, as a condition to its admission as a Limited Partner, shall execute and acknowledge such instruments, in form and substance satisfactory to the General Partner, as the General Partner reasonably deems necessary or desirable to effectuate such admission and to confirm the agreement of the Substituted Limited Partner to be bound by all the terms and provisions of this Agreement with respect to the Partnership Unit acquired. All reasonable expenses, including attorneys' fees that are incurred by the Partnership in this connection and not paid by the assignor Limited Partner, shall be borne by such Substituted Limited Partner.

13.6. Partner Tax Documentation. Each of the Partnership Unit Holders and any other person upon becoming a partner in the Partnership agrees to furnish such documentation and information as may reasonably be requested by the General Partner and upon which the General Partner may rely under applicable Treasury Regulations (i) to conclude that such Partner or such other person is a U.S. Person under Section 7701(a)(30) of the Code or (ii) with respect to a Partnership Unit Holder or other person that is not a U.S. Person under Section 7701(a)(30) of the Code, to determine the residence of such Partnership Unit Holder or such other person in a manner that allows the General Partner to conclude that any withholding obligations that arise under the Code and the Treasury Regulations promulgated thereunder are reduced or eliminated by reason of such Partnership Unit Holder's or such other person's residence.

ARTICLE XIV

General Terms and Conditions

14.1. Partition. Each Partnership Unit Holder expressly waives any rights it might otherwise have for a partition of the Partnership's assets.

14.2. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the respective heirs, executors, administrators, legal representatives, successors and assigns permitted hereunder of the parties hereto.

14.3. Agreement in Counterparts. This Agreement may be executed in any number of counterparts which together shall constitute one and the same instrument. A Partnership Unit Holder's execution of this Agreement transmitted by facsimile or by e-mail delivery of a ".pdf" (or similar) format data file shall be effective when said facsimile or data file is received by the General Partner. The page with the original signature shall be sent by overnight courier to the General Partner.

14.4. Jurisdiction; Venue; Service of Process.

(a) Each Partnership Unit Holder irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court of Chancery of the State of Delaware or, if such Court declines jurisdiction, the courts of the State of Delaware sitting in Wilmington, Delaware and of the United States District Court for the District of Delaware sitting in Wilmington, Delaware, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Delaware State court or, to the fullest extent permitted by applicable law, in such United States District Court. Each of the Partnership Unit Holders agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each Partnership Unit Holder irrevocably and unconditionally waives, to the fullest extent it may be permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 14.4(a). Each Partnership Unit Holder irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(c) Each Partnership Unit Holder irrevocably consents to service of process in the manner provided for notices in Section 14.5. Nothing in this Agreement shall affect the right of any Partnership Unit Holder to serve process in any other manner permitted by applicable law.

14.5. Notices. All notices, demands, consents, offers and other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly given or made if delivered personally or by overnight courier or if mailed from within the United States, by registered or certified mail (return receipt requested), to the addresses set forth in the Register, or if transmitted by facsimile to the telephone numbers set forth in the Register. All notices shall be deemed effective on the date when delivered personally, the day after being sent by facsimile or by overnight carrier, or three days after having been mailed. Any Partnership Unit Holder may change its address by like notice stating its new address to the other Partnership Unit Holders. Commencing on the tenth day after the giving of such notice, such newly designated address shall be such Partnership Unit Holder's

address for the purpose of all notices, demands, consents, offers and other communications required or permitted to be given pursuant to this Agreement, unless the Partnership Unit Holder giving the notice specifies a later date.

14.6. Independence of Provisions. Each section of this Agreement shall be considered severable, and if for any reason any section or sections herein are determined to be invalid and contrary to any existing or future laws, such invalidity shall not impair the operation or effect the portions of this Agreement that are valid.

14.7. Execution of Documents. The Partnership Unit Holders agree to execute any instruments and documents as may be required by law or that a Partner reasonably deems necessary or appropriate to carry out the intent of this Agreement.

14.8. Power of Attorney.

(a) Each Limited Partner (other than H&F Brewer AIV, L.P. and Hellman & Friedman Capital Associates V, LP), by its execution hereof, hereby irrevocably makes, constitutes and appoints the General Partner and the Liquidating Trustee, if any, in such capacity as Liquidating Trustee for so long as it acts as such, as its true and lawful agent and attorney-in-fact, with full power of substitution and full power and authority in its name, place and stead, to make, execute, sign, acknowledge, swear to, record and file (i) this Agreement and any amendment to this Agreement that has been adopted as herein provided; (ii) the certificate of limited partnership and all amendments to the Certificate required or permitted by law or the provisions of this Agreement; (iii) all certificates and other instruments deemed advisable by the General Partner or the Liquidating Trustee to carry out the provisions of this Agreement and applicable law or to permit the Partnership to become or to continue as a limited partnership or partnership wherein the Limited Partners have limited liability in each jurisdiction where the Partnership may be doing business, and the execution and filing of which is not inconsistent with the terms of this Agreement; (iv) all instruments that the General Partner or the Liquidating Trustee deems appropriate to reflect a change or modification of this Agreement or the Partnership in accordance with this Agreement, including, without limitation, the admission of additional Limited Partners or Substituted Limited Partners, and adjustments of the Partnership Unit Holders' Capital Accounts pursuant to the provisions of this Agreement; (v) all conveyances and other instruments or papers deemed advisable by the General Partner or the Liquidating Trustee to effect the dissolution and termination of the Partnership in accordance with the Partnership Agreement; (vi) all fictitious or assumed name certificates required or permitted to be filed on behalf of the Partnership; and (vii) all other instruments or papers which may be required or permitted by law to be filed on behalf of the Partnership which are not legally binding on the Limited Partners in their individual capacity and are necessary to carry out the provisions of this Agreement.

(b) The foregoing power of attorney:

(i) is coupled with an interest, shall be irrevocable and, to the extent permitted by law, shall survive and shall not be affected by the subsequent dissolution, bankruptcy or reorganization of any Limited Partner;

(ii) may be exercised by the General Partner or the Liquidating Trustee as appropriate, either by signing separately as attorney-in-fact for each Limited Partner or by a single signature of the General Partner acting as attorney-in-fact for all of them; and

(iii) shall survive the delivery of an assignment, or a Transfer, by a Limited Partner of some or all of its Partnership Units; except that, where the assignee, or transferee, of some or all of such Limited Partner's Partnership Units has been approved by the General Partner for admission to the Partnership as a Substituted Limited Partner, the power of attorney of the assignor shall survive the delivery of such assignment for the sole purposes of enabling the General Partner or the Liquidating Trustee to execute, swear to, acknowledge and file any instrument necessary or appropriate to effect such substitution.

(c) Each Limited Partner shall execute and deliver to the General Partner within fifteen (15) days after receipt of the General Partner's request therefor such other instruments as the General Partner reasonably deems necessary to carry out the terms of this Agreement.

14.9. Amendments. The General Partner shall have the power to amend this Agreement, provided that consent of the holders of a majority of the Class A Common Units, Class B Common Units, Class D Common Units and/or Preferred Units, each voting as a separate class, shall be required if such amendment (whether made directly or pursuant to an amendment or adoption of a new partnership agreement (or similar governing agreement or instrument) in connection with a merger, consolidation, conversion or other reorganization involving the Partnership) materially and adversely affects such class of Units (other than any amendment or restatement of *Schedule* 6.1 required by the definitions of Bonus Make-Whole Share and Bonus Responsible Share); provided that no amendment increasing the personal liability (by decreasing the limited liability or otherwise) of a Limited Partner, requiring any additional capital contribution by a Limited Partner or converting a Limited Partner's interest into a General Partner's interest may be made without the consent of the affected Limited Partner.

14.10. Governing Law. The validity, interpretation and construction of this Agreement shall be determined and governed in all respects by the law of the State of Delaware.

14.11. Captions; Pronouns. Captions contained in this Agreement are inserted only as a matter of convenience and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof. All pronouns and any variations thereof shall

be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the Person or Persons may require.

14.12. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior and contemporaneous agreements and understandings (oral or written) of the parties in connection with any matter covered hereby.

14.13. Partnership Unit Holders Voting as a Single Class. Except as otherwise set forth herein, the Partnership Unit Holders shall vote together as a single class and group of Limited Partners of the Partnership on all matters on which they are entitled to vote under this Agreement, under the Act, or otherwise, provided, for the avoidance of doubt, that the Class E Common Unit Holders shall not have any voting rights under this Agreement, under the Act or otherwise, except as expressly set forth in Section 14.9 or as required by law.

14.14. Effectiveness; Fourth Restated LP Agreement. This Agreement shall be effective concurrent with the Closing of the Offering and the completion of the purchase by APAM of Preferred Units and Preferred Shares, each as defined in the Unit and Share Purchase Agreement (the "Purchase Agreement Closing") following the execution and delivery of this Agreement (the "Effective Time"); provided that the consent of the holders of a majority of the Class A Common Units set forth on Schedule A, the Class B Common Units set forth on Schedule B, the Class D Common Units and the Preferred Units, each voting as a separate class, to this Agreement shall have been obtained prior to the Purchase Agreement Closing and provided, further, that if the Effective Time shall not have occurred on or prior to December 31, 2013, this Agreement shall be null and void and the Fourth Restated LP Agreement shall remain in full force and effect. The Fourth Restated LP Agreement shall govern the rights and obligations of the parties to the Fourth Restated LP Agreement and the Partnership Unit Holders for the time prior to the Effective Time.

14.15. Confidentiality

(a) Each Limited Partner agrees, and shall cause its respective Affiliates and its Affiliates' personnel (including each of their accountants, legal advisers and other professional advisers), not to disclose to any other Person or otherwise use any non-public information regarding the business affairs of the Partnership, including, without limitation, the Audited Financial Statements, other financial information, client lists, business plans, investment information or strategy, or list of Partnership Unit Holders or other information regarding the ownership of the Partnership, in each case, whether or not marked confidential, (collectively, the "Confidential Information"); provided, however, that a Limited Partner (or any of its Affiliates) may disclose Confidential Information (i) to the extent required pursuant to the Requirements of Law, in any report, statement, testimony or other submission to any Governmental Authority or (ii) in order to comply with any Requirement of Law, or in response to any summons, subpoena or other legal process or formal or informal investigative demand, as the case may be, in the course of any litigation, investigation or administrative proceeding; provided, further, that if any party or its Affiliate is, in the opinion of counsel to such

Person, required by Requirements of Law to disclose any Confidential Information, such Person shall (A) to the extent such action would not violate or conflict with Requirements of Law, promptly notify the General Partner of such Requirement of Law so that the Partnership may, in its sole discretion, seek an appropriate protective order and (B) if, in the absence of a protective order or the receipt of a waiver hereunder, such party or any of its Affiliates is nonetheless, in the opinion of counsel to such Person, compelled to disclose such Confidential Information, such Person, after notice to the party hereto to which such information relates (unless such notice would violate or conflict with Requirements of Law), may disclose such Confidential Information to the extent so required by Requirements of Law. If requested by the General Partner on behalf of the Partnership, the party disclosing such information shall (x) exercise commercially best reasonable efforts to obtain reliable assurances that the Confidential Information so disclosed will be accorded confidential treatment or (y) cooperate with any attempt by the Partnership to obtain reliable assurances that the Confidential Information so disclosed will be accorded confidential treatment. For the avoidance of doubt, the General Partner shall have the power to disclose or cause the Partnership to disclose Confidential Information as it deems necessary or appropriate.

(b) Each Limited Partner shall have the right to inspect any schedules or other registers, including the Capital Account Register, regarding the ownership and capital account balances of the Partnership Unit Holders.

14.16. Tax Classification. All Partnership Unit Holders agree to take any proper actions to ensure that the Partnership is treated as a partnership for U.S. federal income tax purposes. The Partnership Unit Holders further agree that no Partnership Unit Holder shall take any action inconsistent with the treatment of the Partnership as a partnership for U.S. federal income tax purposes.

14.17. Tax Reporting. The Partnership Unit Holders agree that in preparing and filing their tax returns they will report all tax items relating to the Partnership in a manner that is consistent with the treatment set forth herein, and consistent with the reporting of such items on the Partnership's tax returns and reports.

14.18. Publicly Traded Partnership. The Partnership's interests shall not be traded on an established securities market within the meaning of Treasury Regulation section 1.7704-1(b) and the Partnership shall use its reasonable best efforts to ensure that its interests are not readily tradable on a secondary market or the substantial equivalent thereof within the meaning of Treasury Regulation section 1.7704-1(c).

14.19. Code Section 754 Election. The Partnership has in effect an election under Code Section 754, and shall have in effect such an election for all subsequent taxable years.

14.20. Tax Treatment of the Termination of the Partnership CVR Agreement. As provided for in the Fourth Restated LP Agreement, the Partnership CVR Agreement was intended to be treated, together with the Fourth Restated LP Agreement, as a single "partnership

agreement" under Section 761(c) of the Code and the Partnership CVRs were intended to be treated as part of the related Preferred Units for United States federal income tax purposes. Consistent with that treatment, the Partnership and each Partner agree to treat the termination of the Partnership CVR Agreement as a tax-free recapitalization of the related Preferred Units.

14.21. Interpretation in Certain Circumstances. If the board of directors of the General Partner determines that the result obtained by applying the terms of this Agreement is inconsistent with the intended substantive result, then, by a vote of at least three quarters of the members of the board of directors of the General Partner then in office, an alternative result and related allocations, determinations and distributions shall govern in lieu of the provisions of this Agreement notwithstanding anything in this Agreement to the contrary, provided that, if the board of directors of the General Partner does not then include a director designated pursuant to Section 5.1(a)(ii), 5.1(a)(iii) or 5.1(a)(iv) of the Stockholders Agreement, then the holders of a majority of the Class A Common Units, Class D Common Units or Class B Common Units, respectively, voting as a separate class, must approve any alternative result and related allocations, determinations and distributions.

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IN WITNESS WHEREOF, this FIFTH AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF ARTISAN PARTNERS HOLDINGS LP is executed as of the date first above written.

GENERAL PARTNER:

ARTISAN PARTNERS ASSET MANAGEMENT INC.

By: /s/ Sarah A. Johnson

Name: Sarah A. Johnson

Title: Executive Vice President, Chief Legal Officer and Secretary

CLASS D COMMON UNIT HOLDER:

ARTISAN INVESTMENT CORPORATION

By: Artisan Partners Asset Management Inc., its Agent and Attorney-in-Fact

By: /s/ Sarah A. Johnson

Name: Sarah A. Johnson

Title: Executive Vice President, Chief Legal Officer and Secretary

EACH CLASS A COMMON UNIT HOLDER LISTED ON SCHEDULE A HERETO

By: Artisan Partners Asset Management Inc., its Agent and Attorney-in-Fact

By: /s/ Sarah A. Johnson

Name: Sarah A. Johnson

Title: Executive Vice President, Chief Legal Officer and Secretary

EACH CLASS B COMMON UNIT HOLDER LISTED ON SCHEDULE B HERETO

By: Artisan Partners Asset Management Inc., its Agent and Attorney-in-Fact

By: /s/ Sarah A. Johnson

Name: Sarah A. Johnson

Title: Executive Vice President, Chief Legal Officer and Secretary

EACH CLASS E COMMON UNIT HOLDER LISTED ON SCHEDULE C HERETO

By: Artisan Partners Asset Management Inc., its Agent and Attorney-in-Fact

By: /s/ Sarah A. Johnson

Name: Sarah A. Johnson

Title: Executive Vice President, Chief Legal Officer and Secretary

PREFERRED UNIT HOLDERS:

H&F BREWER AIV, L.P.

By: Hellman & Friedman Investors V, L.P.

By: Hellman & Friedman LLC

By: /s/ Allen Thorpe

Name: Allen Thorpe

Title: Managing Director

HELLMAN & FRIEDMAN CAPITAL ASSOCIATES V, L.P.

By: Hellman & Friedman LLC

By: /s/ Allen Thorpe

Name: Allen Thorpe

Title: Managing Director

APPENDIX A

Except as the context shall otherwise require, the following terms shall have the following meanings for all purposes of this Agreement (the definitions to be applicable to both the singular and the plural forms of the terms defined, where either such form is used in the Agreement):

"Act" means the Delaware Revised Uniform Limited Partnership Act, 6 Del. C. §§17-101, et seq., as amended from time to time.

"Additional General Partner Securities" has the meaning set forth in Section 3.6.

"Additional Partnership Units" has the meaning set forth in Section 3.6.

"Adjusted Capital Account Deficit" means, with respect to any Partnership Unit Holder, the deficit balance, if any, in such Partnership Unit Holder's Capital Account as of the end of the relevant Fiscal Period, after giving effect to the following adjustments:

(i) such Capital Account shall be deemed to be increased by any amounts that such Partnership Unit Holder is obligated to restore to the Partnership (pursuant to this Agreement or otherwise) or is deemed to be obligated to restore pursuant to the second to last sentences of Treasury Regulation Sections 1.704-2(g)(1) and 1.704-2(i)(5) (relating to allocations attributable to nonrecourse debt); and

(ii) such Capital Account shall be deemed to be decreased by the items described in Treasury Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6).

The foregoing definition of Adjusted Capital Account Deficit is intended to comply with the provisions of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and shall be interpreted and applied consistently therewith.

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For the purpose of this definition, the term "control" (including, with correlative meanings, the terms "controlling", "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Aggregate Shortfall" shall equal the sum of all of the Unit Shortfalls.

"Aggregate Surplus" shall equal the sum of all of the Unit Surplus.

"Agreement" means the Fifth Amended and Restated Agreement of Limited Partnership of Artisan Partners Holdings LP, a Delaware limited partnership, as amended, restated or supplemented from time to time.

"APAM" means Artisan Partners Asset Management Inc., a Delaware corporation, and shall include its successors and assigns.

"Audited Financial Statements" has the meaning set forth in Section 8.3(a).

"Average Daily VWAP" means the average of the daily VWAP of a share of Class A Common Stock over the 60 Trading Days immediately prior to and including such Trading Day, with the first of such 60 Trading Days being no earlier than the 90th day after (i) the Follow-On Offering Closing Date (but in no event shall the first of such 60 Trading Days be prior to June 12, 2014) or (ii) June 12, 2014, if the Follow-On Offering Closing Date has not occurred by that date; provided that in calculating such average (A) the VWAP for any Trading Day during the 60 Trading Day period prior to the ex-date of any extraordinary distributions made on the Class A Common Stock during the 60 Trading Day period shall be reduced by the value (as determined in good faith by the Board) of such distribution per share of Class A Common Stock and (B) the VWAP for any Trading Day during the 60 Trading Day period prior to the date of a Subdivision or Combination of the Class A Common Stock during the 60 Trading Day period shall automatically be adjusted in inverse proportion to such Subdivision or Combination.

"Bankruptcy", with respect to any Person, means and includes each of the following occurrences:

(a) such Person commences a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or consents to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or makes a general assignment for the benefit of creditors, or fails generally to pay its debts as they become due, or takes any corporate action to authorize any of the foregoing; or

(b) an involuntary case or other proceeding is commenced against such Person seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding remains undismissed and unstayed for a period of sixty (60) days; or an order for relief is entered against such Person under the federal bankruptcy laws of the United States as now or hereafter in effect.

"Bonus Make-Whole Amount" with respect to any Partnership Unit Holder means the product of (i) the quotient of (A) the Bonus Make-Whole Share with respect to such Partnership Unit Holder as of the relevant time divided

by (B) the aggregate amount of Bonus Make-Whole Shares with respect to all Partnership Unit Holders as of the relevant time, and (ii) the aggregate amount by which any single distribution is being reduced with respect to Partnership Unit Holders with Bonus Responsible Shares pursuant to Section 6.1(e) *plus* the Special Make-Whole Amount to the extent the Special Make-Whole Amount has not been previously distributed.

"Bonus Make-Whole Share" with respect to any partner means the amount set forth under the column "Bonus Make-Whole Share" opposite such Partnership Unit Holder's name on *Schedule 6.1* as of the Effective Time less any amount that is applied after the Effective Time to increase distributions to such Partnership Unit Holder (or such Partnership Unit Holder's transferee) pursuant to Section 6.1(e) or any amount otherwise paid by the Partnership to such Partnership Unit Holder in respect of such Partnership Unit Holder's Bonus Make-Whole Share. The transferee of any LP Units (other than the General Partner) shall be allocated the portion of the transferring Partnership Unit Holder's Bonus Make-Whole Share, if any, associated with the LP Units transferred. If a Partnership Unit Holder with a Bonus Make-Whole Share exchanges LP Units pursuant to the Exchange Agreement, the Bonus Make-Whole Share of such Partnership Unit Holder shall be reduced by the portion of the transferring Partnership Unit Holder's Bonus Make-Whole Share associated with the LP Units exchanged. The General Partner's calculation of each Partnership Unit Holder's Bonus Make-Whole Share shall be conclusive and binding upon the Partnership Unit Holders absent manifest error by the General Partner. Notwithstanding anything to the contrary in this Agreement, the General Partner shall have the authority, without the consent of the holders of any other class of Partnership Units, to amend and restate *Schedule 6.1* at the Effective Time to reduce each Partnership Unit Holder's Bonus Make-Whole Share by the amount its distribution was increased pursuant to Section 7.1(e) of the Fourth Restated LP Agreement after the date of this Agreement and prior to the Effective Time. For the avoidance of doubt, no Bonus Make-Whole Share shall be allocated to the GP Units as of the Effective Time or thereafter.

"Bonus Responsible Share" with respect to any Partnership Unit Holder means the amount set forth under the column "Bonus Responsible Share" opposite such Partnership Unit Holder's name on *Schedule 6.1* as of the Effective Time less any amount that was applied after the Effective Time to reduce distributions to such Partnership Unit Holder (or such Partnership Unit Holder's transferee) pursuant to Section 6.1(e) and any Special Make-Whole Amounts returned to the Partnership, provided that a Partnership Unit Holder's Bonus Responsible Share shall not be less than zero. The transferee of any LP Units (other than the Partnership or the General Partner) shall be allocated the portion of the transferring Partnership Unit Holder's Bonus Responsible Share, if any, associated with the LP Units transferred. If a Partnership Unit Holder with a Bonus Responsible Share exchanges LP Units pursuant to the Exchange Agreement, the Bonus Responsible Share of such Partnership Unit Holder shall be reduced by the portion of the transferring Partnership Unit Holder's Bonus Responsible Share associated with the LP Units exchanged. The General Partner's calculation of each Partnership Unit Holder's Bonus Responsible Share shall be conclusive and binding upon the Partnership Unit Holders absent manifest error by the General Partner. Notwithstanding anything to the contrary in this Agreement, the General Partner shall have the authority, without the consent of the holders of any other class of Partnership Units, to amend and restate *Schedule 6.1* at the Effective Time to reduce each Partnership Unit Holder's Bonus Responsible Share by the amount its distribution was reduced pursuant to Section 6.1(e)of the Fourth Restated LP Agreement after the date of this Agreement but before the Effective Time. For the avoidance of doubt, no Bonus Responsible Share shall be allocated to the GP Units as of the Effective Time or thereafter.

"Capital Account" means, with respect to each Partnership Unit Holder, the account established and maintained for such Partner pursuant to Article V.

"Capital Account Register" means a register maintained by the General Partner setting forth the Capital Accounts of the Partnership Unit Holders.

"Capital Account Shortfall" has the meaning set forth in Section 5.1(c)(i).

"Capital Contribution" of any Partnership Unit Holders means the amount received or deemed to have been received by the Partnership from such Partnership Unit Holder pursuant to Article V.

"Carrying Value" means, the value at which the assets of the Partnership are carried on the books of the Partnership maintained under Treasury Regulations §1.704-1(b)(2)(iv) (with such assets being revalued under Treasury Regulations §§1.704-1(b)(2)(iv)(e) and/or (f) in connection with each Revaluation Event).

"Certificate" has the meaning set forth in the Recitals.

"Class A Common Stock" means the Class A common stock, par value $0.01 per share, of APAM.

"Class A Common Unit" means a unit representing a limited partner interest in the Partnership and designated in the Register as a Class A Common Unit as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Class A Common Unit Holder" means a Person identified as a "Class A Common Unit Holder" in the Register.

"Class B Common Stock" means the Class B common stock, par value $0.01 per share, of APAM.

"Class B Common Unit" means a unit representing a limited partner interest in the Partnership and designated in the Register as a Class B Common Unit, as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Class B Common Unit Holder" means a Person identified as a "Class B Common Unit Holder" in the Register.

"Class C Common Stock" means the Class C common stock, par value $0.01 per share, of APAM.

"Class D Common Unit" means a unit representing a limited partner interest in the Partnership and designated in the Register as a Class D Common Unit, as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Class D Common Unit Holder" means a Person identified as a "Class D Common Unit Holder" in the Register.

"Class E Common Unit" means a unit representing a limited partner interest in the Partnership and designated in the Register as a Class E Common Unit as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Class E Common Unit Holder" means a Person identified as a "Class E Common Unit Holder" in the Register.

"Code" means the Internal Revenue Code of 1986, as amended from time to time. Reference to any specific section of the Code shall include such section, any regulations promulgated thereunder and any comparable provision of any future legislation amending, supplementing or superseding such section.

"Common Unit" means a Class A Common Unit, a Class B Common Unit, a Class D Common Unit or a Class E Common Unit, and "Common Units" means the Class A Common Units, the Class B Common Units, the Class D Common Units and the Class E Common Units.

"Common Unit Holder" means a Person identified as a "Common Unit Holder" in the Register.

"Confidential Information" has the meaning set forth in Section 14.15(a).

"Contributing Partner" means those Partnership Unit Holders set forth on *Schedule 6.1* with a Bonus Responsible Share greater than zero.

"Conversion Rate" means, (i) for any exchange of Preferred Units contemplated by Section 3.1(c), the Conversion Rate as calculated for such exchange pursuant to the Exchange Agreement, and (ii) for any conversion of Convertible Preferred Stock contemplated by Section 3.2, the Conversion Rate as calculated pursuant to the Certificate of Incorporation of APAM, as the same may be amended from time to time.

"Convertible Preferred Stock" means the convertible preferred stock, par value $0.01 per share, of APAM.

"Distributee Partner" has the meaning set forth in Section 6.1(c).

"Effective Time" has the meaning set forth in Section 14.14.

"Event of Withdrawal" has the meaning set forth in Section 11.1(b).

"Exchange Agreement" means the exchange agreement, dated as of the date hereof, between the General Partner and the other Partnership Unit Holders, as the same may be amended from time to time.

"Fair Market Value" means the value reasonably determined by the General Partner assuming a willing buyer and willing seller, both being apprised of all material information affecting said valuation.

"First Year Lock-Up Expiration Date" has the meaning assigned to it in the Resale and Registration Rights Agreement.

"Fiscal Period" means all or any portion of a Fiscal Year for which the Partnership is required to allocate Profits, Losses, and other items of income, gain, loss or deduction for federal income tax purposes, or pursuant to this Agreement.

"Fiscal Year" has the meaning set forth in Section 8.2.

"Follow-On Offering Closing Date" means the closing date of the follow-on offering APAM is obligated to conduct by June 12, 2014 pursuant to the Resale and Registration Rights Agreement.

"Fourth Restated LP Agreement" has the meaning specified in the Recitals.

"GAAP" means U.S. generally accepted accounting principles.

"General Partner" means APAM, in its capacity as general partner of the Partnership, and includes any Person who becomes a successor general partner of the Partnership.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any entity exercising executive, legislative, judicial, regulatory or administration functions of or pertaining to government, including any government authority, agency, department, board, official, commission or instrumentality of the United States, any foreign government, any State of the United States or any political subdivision thereof, any court, tribunal or arbitrator(s) of competent jurisdiction and any self-regulatory organization or securities exchange with regulatory or supervisory authority or oversight responsibilities.

"GP Unit" means a unit representing a general partner interest in the Partnership and designated in the Register as a GP Unit, as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"GP Revaluation Event Allocable Gain" shall equal the excess, if any, of (i) the General Partner's Percentage Interest (with respect to GP Units only) immediately after the Revaluation Event multiplied by the sum of the aggregate Revaluation Capital Account balances of all Partnership Unit Holders immediately prior to the Revaluation Event and the net amount of gain in connection with the Revaluation Event over (ii) the Revaluation Capital Account of the General Partner (with respect to GP Units only) immediately prior to the Revaluation Event.

"GP Revaluation Event Allocable Loss" shall equal the lesser of (i) the net amount of loss to be allocated under Section 5.1(c)(ii) and (iii) the excess, if any, of (A) the Revaluation Capital Account of the General Partner (with respect to GP Units only) immediately prior to the Revaluation Event, over (B) the General Partner's Percentage Interest (with respect to GP Units only) immediately after the Revaluation Event multiplied by the difference of the aggregate Revaluation Capital Account balances of all Partnership Unit Holders immediately prior to the Revaluation Event minus the net amount of loss in connection with the Revaluation Event.

"Grossed-Up Pre-IPO Profits" means the quotient of (i) the Pre-IPO Accrued and Undistributed Profits divided by (ii) one (1) minus the Percentage Interest represented by the GP Units (excluding any GP Units issued upon exchange of LP Units).

"Interest in Profits" means the percentage interest in the Profits of the Partnership of each Partnership Unit Holder as set forth in the books and records of the Partnership at the relevant measurement date.

"IPO" means the initial public offering of the Class A Common Stock of the General Partner.

"IPO Effective Time" means 9:00 AM EST on March 12, 2013.

"Limited Partner" means a Person who holds one or more LP Units, and includes any Person admitted as an additional or substituted limited partner of the Partnership pursuant to the provisions of this Agreement, each in its capacity as a limited partner of the Partnership.

"Liquidating Trustee" has the meaning set forth in Section 11.2(a).

"Losses" has the meaning assigned thereto in the definition of "Profits" in this *Appendix A*.

"LP Unit" means a Common Unit or a Preferred Unit and "LP Units" means the Common Units and the Preferred Units.

"Minimum Gain" has the same meaning as "partnership minimum gain" as set forth in Sections 1.704-2(b)(2) and (d) of the Treasury Regulations.

"Net Grossed-Up Pre-IPO Profits" means (i) Grossed-Up Pre-IPO Profits minus (ii) Pre-IPO Accrued and Undistributed Profits.

"Nonrecourse Deductions" has the meaning set forth in Section 1.704-2(b)(1) of the Treasury Regulations. The amount of Nonrecourse Deductions for a Fiscal Period of the Partnership equals the net increase, if any, in the amount of Minimum Gain during that Fiscal Period, determined according to the provisions of Section 1.704-2(c) of the Treasury Regulations.

"Nonrecourse Liability" has the meaning set forth in Section 1.704-2(b)(3) of the Treasury Regulations.

"Non-Contributing Partner" means a Partnership Unit Holder entitled to receive a Bonus Make-Whole Share as set forth on *Schedule 6.1*.

"Original H&F Holders" means, collectively, H&F Brewer AIV, L.P. and Hellman & Friedman Capital Associates V, L.P.

"Original LP Agreement" has the meaning set forth in the Recitals.

"Other Unit Holder" means, at any particular time, any Partnership Unit Holder other than a Preferred Unit Holder. To the extent a Preferred Unit Holder also holds a Partnership Unit other than a Preferred Unit, that Preferred Unit Holder is an "Other Unit Holder" only to the extent of its ownership of such Partnership Unit.

"Partial Capital Event" means (i) a sale, transfer, conveyance or disposition of assets of the Partnership and/or any Subsidiary in which the Partnership directly or indirectly realizes cash or other liquid consideration, other than a transaction (A) in the ordinary course of business, (B) that involves assets of the Partnership or a Subsidiary having a Fair Market Value of less than or equal to 1% of the aggregate Fair Market Value of all assets of the Partnership and its Subsidiaries on a consolidated basis, or (C) that is a part of, or would result in, a dissolution of the Partnership or (ii) the incurrence of indebtedness by the Partnership and/or its Subsidiaries the principal purpose of which is distributing the proceeds thereof to the Partnership Unit Holders or equity holders of the Subsidiary, as applicable. For the avoidance of doubt, "Partial Capital Event" shall not include the incurrence of any indebtedness that is refinancing indebtedness of the Partnership existing on or prior to the Effective Time.

"Partner Nonrecourse Debt" has the meaning set forth in section 1.704-2(b)(4) of the Treasury Regulations.

"Partner Nonrecourse Debt Minimum Gain" means an amount, with respect to each Partner Nonrecourse Debt, equal to the Minimum Gain that would result if such Partner Nonrecourse Debt were treated as a Nonrecourse Liability, determined in accordance with section 1.704-2(i)(3) of the Treasury Regulations.

"Partnership" means Artisan Partners Holdings LP.

"Partnership CVRs" has the meaning set forth in the Partnership CVR Agreement.

"Partnership CVR Agreement" means the Partnership Contingent Value Rights Agreement, dated as of March 6, 2013, between the Partnership and the holders of the Partnership CVRs from time to time.

"Partnership Units" means the Common Units, the Preferred Units and the GP Units and any other classes or units or other interests in the Partnership created and issued in accordance with this Agreement following the Effective Time, as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Partnership Unit Holder" means a Person listed in the Register as holding one or more Partnership Units.

"Percentage Interest" of a Partnership Unit Holder shall be equal to a fraction (expressed as a percentage), the numerator of which is the number of Partnership Units held by such Partnership Unit Holder and the denominator of which is the number of Partnership Units held by all Partnership Unit Holders (it being understood that if the Partnership hereafter issues any equity securities other than GP Units, Preferred Units, Class A Common Units, Class B Common Units, Class D Common Units or Class E Common Units, then this definition shall be changed pursuant to an amendment of this Agreement in accordance with the terms hereof).

"Person" means any individual, partnership, corporation, limited liability company, trust, unincorporated association, joint venture, or any other entity.

"Post-IPO Accrued and Undistributed Profits" means all Profits of the Partnership since the IPO Effective Time that have not previously been distributed to the Partnership Unit Holders under Section 6.1

"Pre-IPO Accrued and Undistributed Profits" means all Profits of the Partnership prior to the Effective Time that, as of the IPO Effective Time, had not previously been distributed to the Partnership Unit Holders. As of the IPO Effective Time, the Pre-IPO Accrued and Undistributed Profits were $192,559,520.28.

"Preferred Unit" means a unit representing a limited partner interest in the Partnership and designated in the Register as a "Preferred Unit" held by a Preferred Unit Holder as subdivided, reclassified or otherwise modified from time to time in accordance with this Agreement.

"Preferred Unit Holder" means a Person identified as a "Preferred Unit Holder" in the Register.

"Preferred Unit Loss Allocation" shall equal the lesser of (i) the absolute value of the net loss in connection with the Revaluation Event and (ii)(A) the aggregate Revaluation Capital Account balances in respect of all of the Preferred Units Holders immediately prior to the Revaluation Event minus (B) the product of (1) the aggregate Revaluation Capital Account balances in respect of all Partnership Unit Holders immediately prior to the Revaluation Event reduced by the net loss in connection with the Revaluation Event multiplied by (2) the aggregate Percentage Interest of all the Preferred Unit Holders immediately following the Revaluation Event.

"Preferred Unit Preference Amount" means $34.49.

"Preferred Units Preference Condition" shall be satisfied on the first Trading Day as of which the Average Daily VWAP shall have been at least equal to (i) $43.11 (adjusted for any subdivision (by any stock split, stock dividend, reclassification, recapitalization or otherwise) or combination (by reverse stock split, reclassification, recapitalization or otherwise) of the Class A Common Stock) divided by (ii) the Conversion Rate (as defined in the Certificate of Incorporation of APAM) on such Trading Day.

"Profits" and "Losses" means, for each Fiscal Year or part thereof, the Partnership's income or loss on a consolidated basis for such period determined in accordance with GAAP. For the avoidance of doubt, any salary, bonus or taxable fringe benefits paid to a Partnership Unit Holder shall be treated as a deduction for the purposes of computing Profits and Losses.

"Purchase Agreement Closing" has the meaning set forth in Section 14.14.

"Register" means the register maintained by the General Partner listing the units held at a particular time by the Class A Common Unit Holders, the Class B Common Unit Holders, the Class D Common Unit Holders, the Class E Common Unit Holders, the Preferred Unit Holders, the General Partner and other Persons holding a class of Partnership Units other than those classes listed above in this definition, if any, in accordance with this Agreement

"Requirements of Law" means, with respect to any Person, any domestic or foreign federal or state statute, law, ordinance, rule, administrative code, administrative interpretation, regulation, order, consent, writ, injunction, directive, judgment, decree, policy, ordinance, decision, guideline or other requirement of (or agreement with) any Governmental Authority (including any memorandum of understanding or similar arrangement with any Governmental Authority), in each case binding on that Person or its property or assets.

"Resale and Registration Rights Agreement" means the amended and restated resale and registration rights agreement, dated as of the date hereof, between APAM and the Partnership Unit Holders, as the same may be amended from time to time.

"Revaluation Capital Account" means, with respect to each Partnership Unit Holder, such Partnership Unit Holder's Capital Account less any Pre-IPO Accrued and Undistributed Profits or Post-IPO Accrued and Undistributed Profits otherwise allocated to such Capital Account.

"Revaluation Event" shall be deemed to have occurred immediately prior to the following events:

(i) the acquisition of additional Partnership Units from the Partnership by any new or existing Partnership Unit Holder (including the acquisition of additional GP Units by the General Partner pursuant to Section 3.4(a)(ii) or (iii), but excluding the acquisition of additional Partnership Units by the General Partner pursuant to Sections 3.1(a), 3.1(b) or 3.1(c) and the acquisition by the General Partner of GP Units in exchange for LP Units), or the admittance of any new Partnership Unit Holder (including a Class B Common Unit Holder) to the Partnership;

(ii) a distribution by the Partnership pursuant to Section 6.2 or Section 11.2(d);

(iii) the redemption of any Partnership Units;

(iv) the liquidation of the Partnership within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(g) (other than a liquidation caused by a termination of the Partnership under Code Section 708(b)(1)(B)); and

(v) such other event as may be permitted under applicable Treasury Regulations, as reasonably determined by the General Partner.

"Revalued Unit Target" shall equal (i) the sum of the aggregate Revaluation Capital Account balances of all Partnership Unit Holders immediately prior to the Revaluation Event and the net gain in connection with the Revaluation Event divided by (ii) the total number of Partnership Units outstanding immediately following the Revaluation Event.

"Securities Act" means the Securities Act of 1933, as amended from time to time.

"Special Make-Whole Amount" has the meaning set forth in the Recitals.

"Special Tax Distribution" has the meaning set forth in Section 6.1(c).

"State Income Tax Rate" means the highest combined rate of state income tax and local income tax (for cities within such state) among the various state and local jurisdictions in which the Partnership Unit Holders are subject to tax as a result of owning Partnership Units.

"Stockholders Agreement" means the Stockholders Agreement, dated as of March 12, 2013, between APAM and certain holders of its capital stock from time to time party thereto, as the same may be amended from time to time.

"Subdivision or Combination" means any subdivision (by any stock split, stock dividend, reclassification, recapitalization or otherwise) or combination (by reverse stock split, reclassification, recapitalization or otherwise) of the capital stock of a corporation or any subdivision (by any split, distribution, reclassification, recapitalization or otherwise) or combination (by reverse split, reclassification, recapitalization or otherwise) of the equity interest of a non-corporate entity.

"Subsidiary" means, as to any Person, a Person more than 50% of the outstanding voting equity of which is owned, directly or indirectly, by the initial Person or by one or more other Subsidiaries of the initial Person. For the purposes of this definition, "voting equity" means equity that ordinarily has voting power for the election of directors or of Persons performing similar functions (such as a general partner of a partnership or the manager of a limited liability company), whether at all times or only so long as no senior class of equity has such voting power by reason of any contingency.

"Substituted Limited Partner" means any Person admitted to the Partnership as a Limited Partner pursuant to the provisions of Section 13.5.

"Surplus Unit Target" shall equal (i)(A) the aggregate Revaluation Capital Accounts balances of all Partnership Unit Holders immediately prior to the Revaluation Event less the net loss in connection with the Revaluation Event minus (B) the aggregate Revaluation Capital Accounts balances of all Preferred Unit Holders at such time after application of Section 5.1(c)(iii) divided by (ii) the total number of Common Units and GP Units outstanding immediately following the Revaluation Event.

"Tax Distribution" means the amount distributed to Partnership Unit Holders pursuant to Sections 6.1(a), 6.1(b) and 6.1(c).

"Tax Distribution Dates" means, except as provided in Section 6.1(b) and 6.1(c), January 15, April 15, June 15 and September 15 of each Fiscal Year commencing with January 15, 1995.

"Tax Matters Partner" has the meaning set forth in Section 8.5.

"Tax Rate" means the highest combined individual (i) federal income tax rate, (ii) State Income Tax Rate, (iii) rate of tax imposed under Section 1411 of the Code and (iv) rate of any other tax to which any Partnership Unit Holder is subject as a result of owning Partnership Units reasonably determined to be included by the General Partner, for the Fiscal Period at issue, assuming maximum applicability of the phase-out of itemized deductions contained in Section 68 of the Code.

"Tax Receivable Agreements" means (i) the Tax Receivable Agreement (Merger), dated as of the date hereof, between APAM and H&F Brewer AIV II, L.P., a Delaware limited partnership, and (ii) the Tax Receivable Agreement (Exchanges), dated as of the date hereof, between APAM and each Partnership Unit Holder.

"Terminated Employee-Partner" has the meaning set forth in Section 3.3.

"Trading Day" means a day on which (i) the Class A Common Stock at the close of regular session trading (not including extended or after hours trading) is not suspended from trading on any national or regional securities exchange or association or over-the-counter market that is the primary market for the trading the Class A Common Stock, (ii) the Class A Common Stock has traded at least once during the regular session on the national securities exchange or association or over-the-counter market that is the primary market for the trading of the Class A Common Stock, and (iii) there has been no "market disruption event." For these purposes, "market disruption event" means the occurrence or existence for more than one half-hour period in the aggregate on any scheduled trading day for the Class A Common Stock of any suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the stock exchange or otherwise) in the Class A Common Stock, and such suspension or limitation occurs or exists at any time before 1:00 p.m., New York City time.

"Transfer", when used as a verb, means sell, exchange, give, assign, bequeath, pledge or otherwise encumber, divest, dispose of or transfer of ownership or control of all, any part or any interest in, whether voluntarily or by operation of law, either inter vivos or upon death, and when used as a noun, means a sale, exchange, gift, assignment, bequest, pledge, encumbrance, divestiture, disposition of or other transfer of ownership or control of all, any part or any interest in, whether voluntarily or by operation of law, either inter vivos or upon death.

"Treasury Regulations" means the regulations adopted from time to time by the Department of the Treasury under the Code.

"Unit and Share Purchase Agreement" has the meaning set forth in the Recitals.

"Unit Shortfall" in respect of a Common Unit Holder shall equal the excess, if any, of (i) the Revalued Unit Target over (ii) the Revaluation Capital Account in respect of the Common Unit Holder immediately prior to the Revaluation Event.

"Unit Surplus" in respect of a Common Unit Holder shall equal the excess, if any, of (i) the Revaluation Capital Account in respect of the Common Unit Holder immediately prior to the Revaluation Event over (ii) the Surplus Unit Target.

"VWAP" means the daily per share volume-weighted average price of the Class A Common Stock as displayed under the heading Bloomberg VWAP on Bloomberg page "APAM<equity> AQR" (or its equivalent successor if such page is not available) in respect of the period from the open of trading on such day until the close of trading on such day (or if such volume-weighted average price is unavailable, the market price of one share of such common stock on such day, determined by a nationally recognized independent investment banking firm retained for this purpose by the General Partner). VWAP will be determined without regard to afterhours trading or any other trading outside the regular trading session or trading hours.

"Zieglers" means Andrew A. Ziegler and Carlene Murphy Ziegler.

APPENDIX B

Allocations in Extraordinary Situations

This Appendix sets forth certain allocations that will apply to the extent and under the circumstances provided below in lieu of the allocation provided in Section 7.1 of the Partnership Agreement. In no event will an allocation or distribution under the Agreement (including this Appendix B) be made which results in, or increases, an Adjusted Capital Account Deficit as of the end of the Fiscal Year to which such allocation or distribution relates. Except as otherwise provided, capitalized terms have the meanings assigned thereto in the Agreement.

1. Special Allocations. The following special allocations shall be made in the following order:

(a) Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(f) of the Treasury Regulations, notwithstanding any other provision of this Appendix, if there is a net decrease in Minimum Gain during any Fiscal Period, each Partnership Unit Holder shall be specially allocated items of income and gain for such Fiscal Period (and, if necessary, subsequent Fiscal Period) in an amount equal to such Partnership Unit Holder's share of the net decrease in Minimum Gain, determined in accordance with Section 1.704-2(g) of the Treasury Regulations. The items to be so allocated shall be determined in accordance with Sections 1.704-2(f)(6) and (j)(2) of the Treasury Regulations. This Section 1(a) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(f) of the Treasury Regulations and shall be interpreted consistently therewith.

(b) Partner Minimum Gain Chargeback. Except as otherwise provided in Section 1.704-2(i)(4) of the Treasury Regulations, notwithstanding any other provision of this Appendix, if there is a net decrease in Partner Nonrecourse Debt Minimum Gain attributable to a Partner Nonrecourse Debt during any Fiscal Period, each Partnership Unit Holder who has a share of the Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(5) of the Treasury Regulations, shall be specially allocated items of income and gain for such Fiscal Period (and, if necessary, subsequent Fiscal Periods) in an amount equal to such Partnership Unit Holder's share of the net decrease in Partner Nonrecourse Debt Minimum Gain attributable to such Partner Nonrecourse Debt, determined in accordance with Section 1.704-2(i)(4) of the Treasury Regulations. The items to be so allocated shall be determined in accordance with Sections 1.704-2(i)(4) and (j)(2) of the Treasury Regulations. This Section 1(b) is intended to comply with the minimum gain chargeback requirement in Section 1.704-2(i)(4) of the Treasury Regulations and shall be interpreted consistently therewith.

(c) Qualified Income Offset. In the event any Partnership Unit Holder unexpectedly receives any adjustments, allocations or distributions described in Section 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of income and gain (including gross income) shall be specially allocated to each such Partnership Unit Holder in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Adjusted Capital Account Deficit of such Partnership Unit Holder as quickly as possible, provided that an allocation pursuant to this Section 1(c) shall be made if and

only to the extent that such Partnership Unit Holder would have an Adjusted Capital Account Deficit after all other allocations provided for in this Appendix have been tentatively made as if this Section 1(c) were not in the Agreement.

(d) Nonrecourse Deductions. Nonrecourse Deductions for any Fiscal Period shall be allocated among the Partnership Unit Holders in accordance with Section 7.1 of the Agreement.

(e) Imputed Interest. To the extent the Partnership has taxable interest income or deduction with respect to any obligation of a Partnership Unit Holder to the Partnership pursuant to Section 483, Sections 1271 through 1288, or Section 7872 of the Code:

(i) Such interest income or deduction shall be specially allocated to the Partnership Unit Holders to whom such obligation relates; and

(ii) The amount of such interest income or deduction shall be excluded from the Capital Contributions credited or debited to such Partnership Unit Holder's Capital Account in connection with payments of principal with respect to such obligations.

(f) Allocations Relating to Taxable Issuance of Partnership Units. Any income, gain, loss, or deduction realized as a direct or indirect result of the issuance of Partnership Units or other interests in the Partnership shall be allocated among the Partnership Unit Holders so that, to the extent possible, the net amount of such items, together with all other allocations under the Agreement to each Partnership Unit Holder, shall be equal to the net amount that would have been allocated to each such Partnership Unit Holder if such items had not been realized.

2. Curative Allocations. The allocations set forth in Sections 1(a), 1(b), 1(c), 1(d), 1(e) and 1(f), above, (the "Regulatory Allocations") are intended to comply with certain requirements of the Treasury Regulations. It is the intent of the Partnership Unit Holders that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of income, gain, loss, or deduction pursuant to this Section 2. Therefore, notwithstanding any other provision of this Appendix (other than the Regulatory Allocations), the General Partner shall make such offsetting special allocations of income, gain, loss, or deduction in whatever manner they determine appropriate so that, after such offsetting allocations are made, each Partnership Unit Holder's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Partnership Unit Holder would have had if the Regulatory Allocations were not part of this Appendix. In exercising his discretion under this Section 2, the General Partner shall take into account future Regulatory Allocations under Sections 1(a) and 1(b), above, that, although not yet made, are likely to offset other Regulatory Allocations previously made under Section 1(d), above.

3. Creditable Foreign Taxes. Creditable foreign taxes shall be allocated to the Partnership Unit Holders in accordance with the Partnership Unit Holders' distributive shares of income (including income allocated pursuant to Code Section 704(c) to which the creditable foreign tax relates. The provisions of this Section 3 are intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(4)(viii).

4. Transfer of Interests. In the event Partnership Units or other interests in the Partnership are Transferred pursuant to the Agreement during any Fiscal Period, the Profits (or Losses) allocated to the Partnership Unit Holders for each such Fiscal Period, and the related items of income, gain, loss or deduction as determined under Section 5.3 of the Agreement, shall be allocated among the transferring Partnership Unit Holders in proportion to the Partnership Units or other interests in the Partnership each holds from time to time during such Fiscal Period in accordance with Section 706 of the Code, using any convention permitted by law and selected by the General Partner.

5. Tax Allocations.

(a) Capital Contributions. In accordance with Section 704(c) of the Code and the Treasury Regulations thereunder, income, gain, loss, and deduction with respect to any Capital Contribution shall, solely for tax purposes, be allocated among the Partnership Unit Holders so as to take account of any variation between the adjusted basis of such property to the Partnership for federal income tax purposes and its initial Fair Market Value. Income, gain, loss, or deduction attributable to property held by the Partnership upon the Effective Time, and with a variation between adjusted basis and initial Fair Market Value, will be allocated under the traditional method as described in Treasury Regulation Section 1.704-3(b).

(b) Adjustment of Carrying Value. In the event the Carrying Value of any asset of the Partnership is adjusted, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Carrying Value as so adjusted in the same manner as under Section 704(c) of the Code and the Treasury Regulations thereunder and shall be allocated under the traditional method as described in Treasury Regulation Section 1.704-3(b).

(c) Elections. Any elections or other decisions relating to such allocations shall be made by the General Partner in any manner that reasonably reflects the purpose and intent of this Agreement. For the avoidance of doubt, the General Partner shall not elect to take into account the difference referred to in 5(a) and 5(b) other than in accordance with

the traditional method as described in Treasury Regulation Section 1.704-3(b). Allocations pursuant to this Section 5 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of the Agreement.

6. Recharacterization of Guaranteed Payment as Distribution. In the event that a guaranteed payment to a Partnership Unit Holder is ultimately recharacterized (as the result of an audit of the Partnership's tax return or otherwise) as a distribution for federal income tax purposes, and if such recharacterization has the effect of disallowing a deduction or reducing the adjusted basis of any asset of the Partnership, then an amount of the Partnership's gross income equal to such disallowance or reduction shall be allocated to the recipient of such payment.

AMENDED AND RESTATED

RESALE AND REGISTRATION RIGHTS AGREEMENT

dated as of

November 6, 2013

among

ARTISAN PARTNERS ASSET MANAGEMENT INC.

and

THE STOCKHOLDERS PARTY HERETO

TABLE OF CONTENTS

ARTICLE V

TERMINATION

ARTICLE VI

MISCELLANEOUS

AMENDED AND RESTATED
RESALE AND REGISTRATION RIGHTS AGREEMENT

This AMENDED AND RESTATED RESALE AND REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), dated as of November 6, 2013 and effective as provided in Section 5.01, is by and among Artisan Partners Asset Management Inc., a Delaware corporation (the "**Company**"), each Stockholder listed on the signature pages to this Agreement and each Stockholder who has executed a Joinder to Resale and Registration Rights Agreement in the form attached hereto as Exhibit A (the "**Stockholders**").

WHEREAS, in connection with a proposed public offering of Class A Common Stock by the Company, the net proceeds of which are to be used to repurchase certain Units and Convertible Preferred Stock from the H&F Holders (the "**H&F Repurchase**"), the Company and certain Stockholders desire to amend the Resale and Registration Rights Agreement, dated as of March 12, 2013 (the "**Original Registration Rights Agreement**"), by and among the Company and the Stockholders party thereto in its entirety and on the terms and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 *Definitions*. The following terms, as used herein, have the following meanings:

(a) "**Affiliate**" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person. For the purpose of this definition, the term "**control**" (including, with correlative meanings, the terms "**controlling**", "**controlled by**" and "**under common control with**"), as used with respect to any Person, shall mean the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

(b) "**Agreement**" has the meaning ascribed to such term in the first paragraph of this Agreement.

(c) "**AIC**" means Artisan Investment Corporation, or any successor thereto.

(d) "**AIC Demand Event**" has the meaning ascribed to such term in Section 2.01(c)(iii).

(e) "**Board**" means the board of directors of the Company, unless otherwise noted herein.

(f) "**business day**" means any day (other than a day which is a Saturday, Sunday or legal holiday in the State of New York) on which banks are open for business in New York City and in the State of Wisconsin.

(g) "**Capital Stock**" means the Class A Common Stock, Class B Common Stock, Class C Common Stock and Convertible Preferred Stock.

(h) **"Change in Tax Law Determination"** means that the Board (by the affirmative vote of at least two-thirds of the directors then in office) has determined that (i) a change in law (other than a change in tax rates) has occurred or has been proposed and is reasonably likely to be enacted and such change is reasonably likely (x) to have material adverse tax consequences, compared to the tax consequences absent such change, on the Stockholders in their capacity as limited partners of Holdings as a result of such Stockholders being parties to the Tax Receivable Agreement or (y) to change the tax treatment of income realized upon exchange of Common Units or Preferred Units for Class A Common Stock or Convertible Preferred Stock, as applicable, in such a way as to substantially eliminate the creation of the tax attributes generated upon exchange that are the basis for the benefits under the Tax Receivable Agreement, (ii) such adverse consequences referred to in clause (i) can be avoided by an exchange of Common Units or Preferred Units for Class A Common Stock or Convertible Preferred Stock, as applicable, pursuant to the Exchange Agreement and (iii) permitting a Transfer of Registrable Securities pursuant to Section 2.02(a) or (b) is in the best interests of the Company. The Board (by two-thirds vote) may revoke any such determination previously made prior to any Transfer of Registrable Securities pursuant to Section 2.02(a) or (b). The Board shall not be entitled to make more than one unrevoked Change in Tax Law Determination.

(i) "**Class A Common Stock**" means the shares of Class A common stock, par value $0.01 per share, of the Company.

(j) "**Class B Common Stock**" means the shares of Class B common stock, par value $0.01 per share, of the Company.

(k) "**Class C Common Stock**" means the shares of Class C common stock, par value $0.01 per share, of the Company.

(l) "**Common Unit**" means, collectively, the Class A common units, Class B common units, Class D common units and Class E Common Units of Holdings that are issued under the Partnership Agreement.

(m) "**Company**" has the meaning ascribed to such term in the recitals to this Agreement.

(n) "**Convertible Preferred Stock**" means the shares of convertible preferred stock, par value $0.01 per share, of the Company.

(o) **"Disability"** with respect to any Employee-Partner will have the meaning ascribed to such term in the most recent Grant Agreement with respect to Class B Common Units between Holdings and such Employee-Partner.

(p) "**Demand Registration**" has the meaning ascribed to such term in Section 3.03(b).

(q) "**Economic Interest**" means a Stockholder's, or group of Stockholders', aggregate number of shares of Class A Common Stock (including shares of Class A Common Stock issuable upon exchange of Units or conversion of shares of Convertible Preferred Stock, as applicable) divided by the total number of outstanding shares of Class A Common Stock (including shares of Class A Common Stock issuable upon exchange of Units or conversion of shares of Convertible Preferred Stock, as applicable).

(r) "**Employee-Partner**" means any person who (i) is an employee of, or who provides services for or on behalf of, the Company or any of its Affiliates and (ii) who holds Registrable Securities or Non-Registrable Securities, in each case, as of the date such person Transfers Registrable Securities or Non-Registrable Securities pursuant to this Agreement. For the avoidance of doubt, (x) an Employee-Partner and a Former Employee-Partner are mutually exclusive terms and (y) the term Employee-Partner shall not include Andrew A. Ziegler during the term of his employment by the Company.

(s) "**Employment**" means a person's performance of services for or on behalf of the Company or any of its Affiliates, without regard to the person's formal title or position or tax classification related thereto.

(t) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

(u) "**Exchange Agreement**" means that Exchange Agreement, dated as of March 6, 2013, among the Company and the holders of Units from time to time party thereto.

(v) "**Exchange Registration"** has the meaning ascribed to such term in Section 3.01(a).

(w) "**FINRA**" means the Financial Industry Regulatory Authority (formerly, the National Association of Securities Dealers, Inc.) and any successor thereto.

(x) "**First Year Lock-Up Expiration Date**" means June 12, 2014, unless the IPO Follow-On Underwritten Offering is completed on or prior to such date, in which case, the "First Year Lock-Up Expiration Date" means the last day of any lock-up period with respect to shares of Class A Common Stock in connection with the IPO Follow-On Underwritten Offering.

(y) "**Former Employee-Partner**" means any person (i) whose Employment has been terminated and (ii) who holds Registrable Securities or Non-Registrable Securities, in each case, as of the date such person Transfers Registrable Securities or Non-Registrable Securities pursuant to this Agreement. For the avoidance of doubt, (x) an Employee-Partner and

a Former Employee-Partner are mutually exclusive terms and (y) the term Former Employee-Partner shall not include Andrew A. Ziegler following the termination of his employment with the Company.

(z) "**H&F Holders**" means, collectively, H&F Brewer AIV, L.P., H&F Brewer AIV II, L.P. and Hellman & Friedman Capital Associates V, L.P., and their respective successors. For purposes of this agreement, the H&F Holders shall be treated collectively as a single Stockholder.

(aa) "**H&F Priority Amount**" means a percentage of the aggregate number of Registrable Securities being offered in a registration of such securities under the Securities Act equal to the greater of (A) 40% and (B) two and one-half (2 ½) times the H&F Holders' Economic Interest.

(bb) "**H&F Repurchase**" has the meaning ascribed to such term in the recitals to this Agreement.

(cc) "**Holdback Agreement**" has the meaning ascribed to such term in Section 3.08(a).

(dd) "**Holdback Period**" has the meaning ascribed to such term in Section 3.08(a).

(ee) "**Holdings**" means Artisan Partners Holdings LP, a limited partnership organized under the laws of the state of Delaware, and any successor thereto.

(ff) "**Indemnified Party**" has the meaning ascribed to such term in Section 4.03.

(gg) "**Indemnifying Party**" has the meaning ascribed to such term in Section 4.03.

(hh) "**Insider Trading Policy**" means the insider trading policy of the Company adopted by the Board, as such insider trading policy may be amended from time to time.

(ii) "**Inspectors**" has the meaning ascribed to such term in Section 3.09(g).

(jj) "**IPO**" means the initial public offering and sale of 12,712,279 shares of Class A Common Stock of the Company completed on March 12, 2013.

(kk) "**IPO Follow-On Underwritten Offering**" means an Underwritten Public Offering conducted pursuant to Section 3.04(a) or Section 2.02(a)(iii).

(ll) "**Losses**" has the meaning ascribed to such term in Section 4.01.

(mm) "**Marketed Underwritten Offering**" means an Underwritten Public Offering that involves (i) one-on-one meetings or calls between investors and management of the Company, (ii) a customary roadshow or other marketing activity that requires members of the management of the Company to be out of the office for two (2) business days or more or group meetings or calls between investors and management of the Company or (iii) any other substantial marketing effort by the underwriters over a period of at least forty-eight (48) hours.

(nn) "**Material Event**" has the meaning ascribed to such term in Section 3.09(e).

(oo) "**Maximum Offering Size**" means, in the opinion of the sole or managing underwriter of a particular Underwritten Public Offering, the number of shares of Class A Common Stock that can be sold in such offering without adversely affecting the distribution of the securities being offered, the price that will be paid for such securities in such offering or the marketability of such offering.

(pp) **"Measurement Date"** means March 12, 2014 or, if the IPO Follow-On Underwritten Offering is completed prior to such date, the closing date of such offering.

(qq) **"Measurement Period"** means each one-year period commencing on the Measurement Date or any anniversary thereof.

(rr) "**Non-Qualifying Termination**" has the meaning ascribed to such term in Section 2.01(b)(ii).

(ss) "**Non-Registrable Securities**" means any and all shares of Class B Common Stock, Class C Common Stock and Convertible Preferred Stock that the Company may issue to Stockholders.

(tt) "**Non-Requesting Holder"** means (i) in the case of a Demand Registration requested pursuant to Section 3.03 by the H&F Holders, AIC and (ii) in the case of a Demand Registration requested pursuant to Section 3.03 by AIC, the H&F Holders.

(uu) "**Notice**" has the meaning ascribed to such term in Section 6.01.

(vv) "**Original Registration Rights Agreement**" has the meaning ascribed to such term in the recitals to this Agreement.

(ww) "**Partnership Agreement**" means the Fourth Amended and Restated Agreement of Limited Partnership of Holdings, dated as of March 12, 2013, as such agreement may be amended, restated, supplemented and/or otherwise modified from time to time.

(xx) "**Permitted Transferees**" means, with respect to any Person, a spouse or child of such Person, or a trust for the benefit of such Person or such Person's spouse or lineal descendants.

(yy) "**Person**" means an individual, partnership, firm corporation, limited liability company, association, trust, unincorporated organization or other entity, including a government or political subdivision or an agency or instrumentality thereof.

(zz) "**Piggyback Registration**" has the meaning ascribed to such term in Section 3.12.

(aaa) "**Preferred Unit**" means the preferred units of Holdings that are issued under the Partnership Agreement.

(bbb) "**Qualifying Termination**" has the meaning ascribed to such term in Section 2.01(b)(i).

(ccc) "**Records**" has the meaning ascribed to such term in Section 3.09(g).

(ddd) "**Registrable Securities**" means any and all shares of Class A Common Stock that the Company issues to Stockholders (i) upon exchange, in accordance with the terms and conditions of the Exchange Agreement, of any and all Units currently owned or hereafter acquired by any Stockholder, or (ii) upon conversion, in accordance with the terms of the Company's Restated Certificate of Incorporation, of any and all shares of Convertible Preferred Stock currently owned or hereafter acquired by any Stockholder. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when (x) such securities have been sold by the holder thereof pursuant to an effective registration statement or an available exemption from registration under the Securities Act, (y) such securities have been Transferred in accordance with Sections 2.01(b)(v), 2.01(d)(iii) or 2.01(e)(iii) of this Agreement or (z) the Company or Holdings has purchased or redeemed such securities or securities of the Company or Units exchangeable for or convertible into such securities.

(eee) "**Registration Expenses**" means any and all expenses incident to the performance of, or compliance with, the Company's obligations under this Agreement, including, without limitation, all (i) registration and filing fees, and all other fees and expenses payable in connection with the listing of securities on any securities exchange or automated interdealer quotation system, (ii) fees and expenses of compliance with any securities or "blue sky" laws (including reasonable fees and disbursements of counsel in connection with "blue sky" qualifications of the securities registered), (iii) expenses in connection with the preparation, printing, mailing and delivery of any registration statements, prospectuses and other documents in connection therewith and any amendments or supplements thereto, (iv) security engraving and printing expenses, (v) internal expenses of the Company (including all salaries and expenses of its officers and employees performing legal or accounting duties), (vi) reasonable fees and disbursements of counsel for the Company and customary fees and expenses for independent certified public accountants retained by the Company (including the expenses relating to any comfort letters or costs associated with the delivery by independent certified public accountants of any comfort letters requested pursuant to Section 3.09(h)), (vii) reasonable fees and expenses of any special experts retained by the Company in connection with such registration, (viii) reasonable fees, out-of-pocket costs and expenses of the Stockholders (including such costs

and expenses of the H&F Holders and AIC and including reasonable fees and expenses of their respective counsel but excluding fees and expenses of counsel of Stockholders other than the H&F Holders and AIC), (ix) fees and expenses in connection with any review by FINRA of the underwriting arrangements or other terms of the offering, and all fees and expenses of any "qualified independent underwriter" (as such term is defined in Schedule E of the by-laws of FINRA), including the fees and expenses of any counsel thereto, (x) fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding any underwriting fees, discounts and commissions attributable to the sale of shares of Class A Common Stock, (xi) costs of printing and producing any agreements among underwriters, underwriting agreements, any "blue sky" or legal investment memoranda and any selling agreements and other documents in connection with the offering, sale or delivery of the Class A Common Stock, (xii) transfer agents' and registrars' fees and expenses and the fees and expenses of any other agent or trustee appointed in connection with such offering, and (xiii) expenses relating to any analyst or investor presentations or any "road shows" undertaken in connection with the registration, marketing or selling of shares of Class A Common Stock. Each Stockholder shall pay its portion of all underwriting discounts and commissions and transfer taxes, if any, relating to the sale of such Stockholder's shares of Class A Common Stock pursuant to any registration.

(fff) "**Registration Request**" has the meaning ascribed to such term in Section 3.03(b).

(ggg) "**Requesting Holder**" has the meaning ascribed to such term in Section 3.03(b).

(hhh) "**Retirement**" has the meaning ascribed to such term in the most recent Grant Agreement with respect to Class B Common Units between Holdings and such Employee-Partner.

(iii) "**Rule 144**" means Rule 144 (or any successor provisions) under the Securities Act.

(jjj) "**Rule 144A**" means Rule 144A (or any successor provisions) under the Securities Act.

(kkk) "**SEC**" means the Securities and Exchange Commission.

(lll) "**Securities Act**" means the Securities Act of 1933, as amended.

(mmm) "**Shelf Registration"** has the meaning ascribed to such term in Section 3.02(a).

(nnn) "**Stockholders**" has the meaning ascribed to such term in the recitals to this Agreement.

(ooo) "**Stockholders Agreement**" means the Stockholders Agreement, dated as of March 12, 2013, among the Company and certain holders of Capital Stock from time to time party thereto.

(ppp) "**Suspension Period**" has the meaning ascribed to such term in Section 3.07.

(qqq) "**Tax Receivable Agreement**" means the Tax Receivable Agreement (Exchanges) among the Company and each limited partner of Holdings, dated as of March 12, 2013.

(rrr) "**Transfer**" means (i) when used as a verb, to sell, assign, transfer or otherwise dispose of, directly or indirectly, or agree or commit to do any of the foregoing and (ii) when used as a noun, a sale, assignment, transfer or other disposition, whether direct or indirect, or any agreement or commitment to do any of the foregoing, it being understood that for purposes of Sections 2.01(a)(i), (b)(i), (c)(i), (e)(i) and 2.02, the term **"Transfer"** shall include any transfer of Registrable Securities to the Company.

(sss) "**Underwritten Public Offering**" means a sale of any shares of Class A Common Stock to an underwriter or underwriters for reoffering to the public.

(ttt) "**Units**" mean, collectively, the Common Units and Preferred Units.

Section 1.02 *Other Definitional and Interpretative Provisions*. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to clauses, Articles, Sections or Exhibits are to clauses, Articles, Sections and Exhibits of this Agreement unless otherwise specified. All Exhibits annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including such date, respectively.

ARTICLE III

RESALE AND TRANSFER RIGHTS

Section 2.01 *Limitations on Resale and Transfer.* Notwithstanding anything to the contrary in Article III, each Stockholder may only Transfer Registrable Securities and Non-Registrable Securities in accordance with the timing, amount and manner of resale limitations set forth in this Article II. For the avoidance of doubt, nothing in this Agreement shall limit any Stockholder's rights to transfer Units or the Company's or Holdings right to purchase, redeem or otherwise cancel any securities of the Company or Units in accordance with the Partnership Agreement.

(a) *Limitations Applicable to Employee-Partners*.

(i) Subject to the volume limitations set forth in Section 2.02(a)(i)(A), in each Measurement Period, an Employee-Partner may Transfer a maximum number of Registrable Securities equal to the greater of (A) vested Registrable Securities having a market value as of the date of the Transfer equal to $250,000 and (B) the lesser of (1) the number of such Employee-Partner's vested Registrable Securities and (2) fifteen percent (15%) of the aggregate number of Common Units and Registrable Securities (in each case whether unvested or vested) such Employee-Partner held as of the first day of that period (plus the number of Registrable Securities such Employee-Partner could have Transferred in any prior periods pursuant to this Section 2.01(a)(i) but did not Transfer in such periods).

(ii) Prior to and including the First Year Lock-Up Expiration Date, an Employee-Partner may Transfer Registrable Securities only in the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company, *provided* that the aggregate number of Registrable Securities so transferred in all such offerings shall not exceed the volume limitations set forth in Section 2.02(a)(i)(A). Following the First Year Lock-Up Expiration Date, an Employee-Partner may Transfer Registrable Securities in any manner of sale permitted under the securities laws, subject to the limitations on Transfer in Section 2.01(a)(i). For the avoidance of doubt, an Employee-Partner will only have the right to use the Shelf Registration to effect the IPO Follow-On Underwritten Offering and, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company; *provided* that, in each case, such Employee-Partner otherwise has the right to participate in such offering.

(iii) Notwithstanding clauses (i) and (ii) above, an Employee-Partner also may Transfer vested Registrable Securities and Non-Registrable Securities to (A) such Employee-Partner's Permitted Transferees or (B) with the consent of the Company, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by

sub-clause (A) above; *provided* that any such transferee pursuant to this clause (iii) shall execute and deliver to the Company a Joinder to this Resale and Registration Rights Agreement, in the form attached hereto as Exhibit A, and shall thereafter be a "Stockholder" for purposes of this Agreement with the same rights and subject to the same limitations (including limitations pursuant to this clause (iii) to Transfer Registrable Securities and Non-Registrable Securities only for the benefit of the originally transferring Employee-Partner and such Employee-Partner's Permitted Transferees) hereunder as the transferring Employee-Partner. Any Registrable Securities or Non-Registrable Securities Transferred pursuant to this Section 2.01(a)(iii) shall be deemed to be held by a Former Employee-Partner upon the termination of the Employment of the transferring Employee-Partner. Notwithstanding anything herein to the contrary, upon any Transfer provided pursuant to this clause (iii), the rights and obligations of any such transferee under this Agreement shall be aggregated with those of such transferring Employee-Partner and any other transferees of such Employee-Partner as if all such Registrable Securities and Non-Registrable Securities were still held by the transferring Employee-Partner.

(b) *Limitations Applicable to Former Employee-Partners*.

(i) If the Employment of an Employee-Partner is terminated as a result of Retirement, death or Disability (a "**Qualifying Termination**"), such Former Employee-Partner or his or her estate may:

(A) as of, and after, the date of the Qualifying Termination, Transfer, in the aggregate, a maximum number of Registrable Securities equal to the greater of (1) vested Registrable Securities having a market value as of the date of the Transfer equal to $250,000 and (2) one-half ($^1/_2$) of the number of vested Common Units and vested Registrable Securities held as of the Former Employee-Partner's date of Qualifying Termination; and

(B) as of, and after, the first anniversary of the date of the Qualifying Termination, Transfer the Former Employee-Partner's remaining Registrable Securities.

(ii) If the Employment of a Former Employee-Partner was terminated involuntarily or through resignation (a "**Non-Qualifying Termination**"), such Former Employee-Partner may, in each of the four one-year periods beginning on the third, fourth, fifth and sixth anniversaries of such Former Employee-Partner's Non-Qualifying Termination, Transfer a maximum number of Registrable Securities equal to one-fourth ($^1/_4$) of the number of vested Registrable Securities and vested Common Units held as of the date of the Non-Qualifying Termination (plus the number of Registrable Securities such Former Employee-Partner could have Transferred in any previous year or years pursuant to this Section 2.01(b)(ii) but did not Transfer in such year or years).

(iii) Prior to and including the First Year Lock-Up Expiration Date, a Former Employee-Partner may Transfer Registrable Securities only in the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company, *provided* that the aggregate number of Registrable Securities so transferred in all such offerings shall not exceed the volume limitations set forth in Section 2.02(a)(i)(B). Following the First Year Lock-Up Expiration Date, a Former Employee-Partner may Transfer Registrable Securities pursuant to this Section 2.01(b) in any manner of sale permitted under the securities laws. For the avoidance of doubt, a Former Employee-Partner will only have the right to use the Shelf Registration to effect the IPO Follow-On Underwritten Offering and , if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company); *provided* that, in each case, such Former Employee-Partner otherwise has the right to participate in such offering.

(iv) Notwithstanding clauses (i) and (ii) above, a Former Employee-Partner also may Transfer Registrable Securities and Non-Registrable Securities to (A) such Former Employee-Partner's Permitted Transferees or (B) with the consent of the Company, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by sub-clause (A) above; *provided* that any such transferee pursuant to this clause (iv) shall execute and deliver to the Company a Joinder to this Resale and Registration Rights Agreement, in the form attached hereto as Exhibit A, and shall thereafter be a "Stockholder" for purposes of this Agreement with the same rights and subject to the same limitations (including limitations pursuant to this clause (iv) to Transfer Registrable Securities and Non-Registrable Securities only for the benefit of the originally transferring Former Employee-Partner or such Former Employee-Partner's Permitted Transferees) hereunder as the transferring Former Employee-Partner. Notwithstanding anything herein to the contrary, upon any Transfer provided pursuant to this clause (iv), the rights and obligations of any such transferee under this Agreement shall be aggregated with those of such transferring Former Employee-Partner and any other transferees of such Former Employee-Partner as if all such Registrable Securities and Non-Registrable Securities were still held by the transferring Former Employee-Partner.

(v) In addition to the Transfers otherwise permitted by this Section 2.01(b), a Former Employee-Partner's Registrable Securities and Non-Registrable Securities may be Transferred by will or the laws of descent and distribution, *provided* that any transferee pursuant to this clause (v) shall have no rights nor be subject to any limitations under this Agreement.

(c) *Limitations Applicable to AIC*.

(i) Prior to and including the First Year Lock-Up Expiration Date, AIC may Transfer Registrable Securities only in the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company, *provided* that the aggregate number of Registrable

Securities so transferred in all such offerings shall not exceed the volume limitations set forth in Section 2.02(a)(i)(C). Subject to the volume limitations set forth in Section 2.02(a)(i)(C), AIC may only Transfer a maximum number of Registrable Securities in the IPO Follow-On Underwritten Offering equal to fifteen percent (15%) of the aggregate number of Registrable Securities and Common Units held by AIC as of the Measurement Date.

(ii) So long as Andrew A. Ziegler remains employed with the Company or any of its subsidiaries, following the First Year Lock-Up Expiration Date, AIC may Transfer Registrable Securities in any manner of sale permitted under the securities laws, *provided* that in any Measurement Period, AIC may only Transfer a maximum number of Registrable Securities equal to fifteen percent (15%) of the aggregate number of Registrable Securities and Common Units held by AIC as of the first day of that Measurement Period (plus the number of Registrable Securities that AIC could have Transferred in any prior periods pursuant to this Section 2.01(c)(ii) but did not Transfer in such periods).

(iii) Following the later of (A) the termination of Andrew A. Ziegler's employment with the Company or any of its subsidiaries and (B) the First Year Lock-Up Expiration Date (such later date, the "**AIC Demand Event**"), there shall be no limit on the number of Registrable Securities that AIC may Transfer as of and after such date. Following the AIC Demand Event, AIC may Transfer Registrable Securities in (A) any Demand Registration pursuant to and subject to the terms and conditions of Section 3.03, (B) Piggyback Registration pursuant to Section 3.12, (C) brokered transactions pursuant to Section 3.03(a), and (D) in any other manner of sale permitted under the securities laws. For the avoidance of doubt, AIC shall have the right to use the Shelf Registration only after the occurrence of the AIC Demand Event and as expressly provided herein.

(iv) Notwithstanding clauses (i) through (iii) above, AIC also may Transfer Registrable Securities and Non-Registrable Securities to (A) either Andrew A. Ziegler or Carlene M. Ziegler or their respective Permitted Transferees, or (B) with the consent of the Company, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by sub-clause (A) above; *provided* that any such transferee pursuant to this clause (iv) shall execute and deliver to the Company a Joinder to Resale and Registration Rights Agreement, in the form attached hereto as Exhibit A, and shall thereafter be a "Stockholder" for purposes of this Agreement with the same rights and subject to the same limitations (including limitations pursuant to this clause (iv) to Transfer Registrable Securities and Non-Registrable Securities only for the benefit of Andrew A. Ziegler or Carlene M. Ziegler or their respective Permitted Transferees) hereunder as AIC. Notwithstanding anything herein to the contrary, upon any Transfer provided pursuant to this clause (iv), the rights and obligations of any such transferee under this Agreement shall be aggregated with those of AIC and any other transferees of AIC as if all such Registrable Securities and Non-Registrable Securities were still held by AIC.

(d) *Limitations Applicable to the H&F Holders*.

(i) Prior to and including the First Year Lock-Up Expiration Date, the H&F Holders may Transfer any or all of their Registrable Securities but only in the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company.

(ii) Following the First Year Lock-Up Expiration Date, subject to the terms and conditions of clause (v) of this Section 2.01(d), the H&F Holders may Transfer Registrable Securities in (A) any Demand Registration pursuant to and subject to the terms and conditions of Section 3.03(b), (B) any Piggyback Registration pursuant to and subject to the terms and conditions of Section 3.12, (C) brokered transactions pursuant to and subject to the terms and conditions of Section 3.03(a) and (D) in any other manner of sale permitted under the securities laws; *provided* that unless waived by the Board in its sole discretion, no Transfer pursuant to a Demand Registration may occur until after the first Quarterly Exchange Date (as defined in the Exchange Agreement) after the First Year Lock-Up Expiration Date. For the avoidance of doubt, the H&F Holders shall have the right to use the Shelf Registration only as expressly provided herein.

(iii) Notwithstanding anything to the contrary in this Agreement, but subject to clause (v) of this Section 2.01(d), following the First Year Lock-Up Expiration Date, the H&F Holders may distribute Registrable Securities and Non-Registrable Securities to partners of funds affiliated with the H&F Holders. Any distributees who receive Registrable Securities pursuant to this clause (iii) shall not be subject to any contractual restrictions on the Transfer of such Registrable Securities and shall have no rights under this Agreement.

(iv) Notwithstanding clauses (i), (ii) and (iii) above, an H&F Holder also may Transfer Registrable Securities and Non-Registrable Securities to one or more Affiliates; *provided* that any such transferee pursuant to this clause (iv) shall execute and deliver to the Company a Joinder to Resale and Registration Rights Agreement, in the form attached hereto as Exhibit A, and shall thereafter be an "H&F Holder" for purposes of this Agreement with the same rights and subject to the same limitations hereunder as the H&F Holders. For the avoidance of doubt, upon any Transfer provided pursuant to this clause (iv) the rights of any such Affiliate shall be aggregated with those of the other H&F Holders and the H&F Holders and such Affiliate will be treated collectively as a single Stockholder under this Agreement.

(v) Following the completion of the IPO Follow-On Underwritten Offering, unless otherwise approved by the Board, in its sole discretion, the maximum aggregate number of Registrable Securities and Non-Registrable Securities Transferred by the H&F Holders (except for Transfers pursuant to clauses (i) or (iv) of this Section 2.01(d)) shall not exceed the greater of (x) fifty percent (50%) of the aggregate number of Registrable Securities and Non-Registrable Securities held by the H&F Holders immediately following the closing of the IPO Follow-On Underwritten Offering and

(y) 2,000,000 Registrable Securities and Non-Registrable Securities, and any such Transfer may not be completed within 90 days of any other such Transfer, unless otherwise approved by the Board, in its sole discretion.

(e) *Limitations Applicable to the Class A Limited Partners of Holdings*.

(i) Subject to the volume limitations set forth in Section 2.02(a)(i)(D), prior to and including the First Year Lock-Up Expiration Date, the holders of Registrable Securities received upon exchange of Class A common units of Holdings may Transfer any or all Registrable Securities but only in the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company.

(ii) Following the First Year Lock-Up Expiration Date, the holders of Registrable Securities received upon exchange of Class A common units of Holdings may Transfer any or all Registrable Securities in any manner of sale permitted under the securities laws. For the avoidance of doubt, no such holder will have the right to use the Shelf Registration except if it is used to effect the IPO Follow-On Underwritten Offering or, if there is a Change in Tax Law Determination, any additional Underwritten Public Offering initiated by the Company, and, in each case, such holder otherwise has the right to participate in such offering.

(iii) Notwithstanding anything to the contrary in this Agreement, following the First Year Lock-Up Expiration Date, Sutter Hill Ventures and Frog & Peach Investors LLC may distribute Registrable Securities and Non-Registrable Securities to partners or members of Sutter Hill Ventures and Frog & Peach Investors LLC, respectively. Any such distributees will not be subject to any contractual restrictions on the Transfer of Registrable Securities received pursuant to this clause (iii) and shall have no rights under this Agreement.

(iv) Notwithstanding clauses (i) through (iii) above, a holder of Registrable Securities received upon exchange of Class A common units of Holdings who also is an individual may Transfer Registrable Securities and Non-Registrable Securities to (A) such holder's Permitted Transferees or (B) with the consent of the Company, a transferee in a Transfer the purpose or intent of which is substantially equivalent with or similar to the purpose or intent of the types of Transfers permitted by sub-clause (A) above; *provided* that any such transferee pursuant to this clause (iv) shall execute and deliver to the Company a Joinder to this Resale and Registration Rights Agreement, in the form attached hereto as Exhibit A, and shall thereafter be a "Stockholder" for purposes of this Agreement with the same rights and subject to the same limitations (including limitations pursuant to this clause (iv) to Transfer Registrable Securities and Non-Registrable Securities only for the benefit of the originally transferring holder and such holder's Permitted Transferees) hereunder as the transferring holder. Notwithstanding anything herein to the contrary, upon any Transfer provided pursuant to this clause (iv), the rights and obligations of any such transferee under this Agreement

shall be aggregated with those of such transferring holder and any other transferees of such holder as if all such Registrable Securities and Non-Registrable Securities were still held by the transferring holder.

Section 2.02 *Other Permissible Transfers.*

(a) *Pre-Lock-Up Expiration Date Change in Tax Law Transfers.*

(i) Notwithstanding the limitations described in Section 2.01 of this Agreement, prior to the First Year Lock-Up Expiration Date, if the Board has made a Change in Tax Law Determination and has not revoked such determination:

(A) during the period that begins on the date of the Change in Tax Law Determination and ends on the second anniversary of the IPO Closing Date, an Employee-Partner may Transfer a maximum number of Registrable Securities equal to the greatest of (x) vested Registrable Securities having a market value as of the date of the Transfer equal to $250,000, (y) the lesser of (1) the number of such Employee-Partner's vested Registrable Securities and (2) fifteen percent (15%) of the aggregate number of Common Units and Registrable Securities (in each case whether unvested or vested) such Employee-Partner held by such Employee-Partner at such time and (z) a number of vested Registrable Securities the value of which, in the aggregate, is equal to the income tax liability of such Employee-Partner generated from exchange(s) of Units (assuming the Employee-Partner elected out of installment sale treatment);

(B) a Former Employee-Partner may Transfer a maximum number of Registrable Securities equal to the greater of (x) the number, if any, of Registrable Securities such Former Employee-Partner could Transfer at such time pursuant to Section 2.01(b)(i) or 2.01(b)(ii), as applicable; and (y) the number of Registrable Securities the value of which, in the aggregate, is equal to the income tax liability of such Former Employee-Partner generated from exchange(s) of Units (assuming the Former Employee-Partner elected out of installment sale treatment);

(C) during the period that begins on the date of the Change in Tax Law Determination and ends on the earlier of (1) the AIC Demand Event and (2) the second anniversary of the IPO Closing Date, AIC may Transfer a maximum number of Registrable Securities equal to the greater of (x) the number of Registrable Securities equal to fifteen percent (15%) of the aggregate number of Registrable Securities and Common Units held by AIC at such time; and (y) the number of Registrable Securities the value of which, in the aggregate, is equal to the income tax liability of AIC generated from exchange(s) of Units (assuming AIC elected out of installment sale treatment);

(D) a Class A Common Unit Holder (as defined in the Partnership Agreement) may Transfer any or all of its Registrable Securities in the IPO Follow-on Underwritten Public Offering conducted pursuant to Section 2.02(a)(iii); and

(E) the H&F Holders may Transfer any or all Registrable Securities in the IPO Follow-on Underwritten Public Offering conducted pursuant to Section 2.02(a)(iii).

(ii) The number of Registrable Securities, if any, that a Stockholder may Transfer pursuant to Section 2.02(a)(i) shall be determined by the Company, in its sole discretion, and such determination shall be binding absent manifest error. The Company shall use its reasonable best efforts to facilitate Transfers of Registrable Securities pursuant to this Section 2.02(a).

(iii) In connection with a Change in Tax Law Determination, any Transfer of Registrable Securities pursuant to this Section 2.02(a) must be made by means of an Underwritten Public Offering, and the Company shall include in any such registration the number of shares of Class A Common Stock up to the Maximum Offering Size in accordance with the priority established in Section 3.05(a). The Company may not sell shares of Class A Common Stock for its own account in such offering.

(iv) For the avoidance of doubt, neither this Section 2.02(a) nor any other provision in this Agreement is intended to create or does create any additional rights to exchange Units under the Exchange Agreement or to convert shares of Convertible Preferred Stock under the Company's Restated Certificate of Incorporation. The rights of a Stockholder to exchange Units or convert Convertible Preferred Stock shall in all cases be governed by the Exchange Agreement and the Company's Restated Certificate of Incorporation, respectively.

(b) *Post-Lock-Up Expiration Date Change in Tax Law Transfers.* Notwithstanding the limitations described in Section 2.01 of this Agreement, following the First Year Lock-Up Expiration Date, if the Board has made a Change in Tax Law Determination and not revoked such determination, in any period during which an Employee-Partner or Former Employee-Partner exchanges Common Units for Registrable Securities pursuant to the Exchange Agreement, if and only if, the value, in the aggregate, of Registrable Securities permitted to be Transferred by such Employee-Partner or Former Employee-Partner during such period pursuant to Section 2.01 does not equal or exceed an amount equal to the income tax liability of such Employee-Partner or Former Employee-Partner generated from such exchange(s) of Common Units at the time of any such exchange(s) (assuming the Employee-Partner or Former Employee-Partner elected out of installment sale treatment), such Employee-Partner or Former Employee-Partner may Transfer in any manner of sale permitted under the securities laws an additional number of Registrable Securities (*provided* that, in the case of Employee-Partners, such Registrable Securities have vested) the value of which, in the aggregate, is less than or equal to the excess of such income tax liability over the value, in the aggregate, of the Registrable

Securities permitted to be Transferred by such Employee-Partner or Former Employee-Partner during such period pursuant to Section 2.01. The number of Registrable Securities, if any, that an Employee-Partner or Former Employee-Partner may Transfer pursuant to this Section 2.02(a) shall be determined by the Company, in its sole discretion, and such determination shall be binding absent manifest error.

(c) *Estate and Inheritance Tax Transfers.* Notwithstanding the limitations described in Section 2.01 of this Agreement, the estate of any deceased Stockholder or the beneficiaries thereof, or any Person who holds Registrable Securities and is subject to estate and inheritance tax related thereto caused by the death of another Person, may Transfer in any manner of sale permitted under the securities laws a number of Registrable Securities the value of which, in the aggregate, equals the aggregate estate and inheritance tax liability relating thereto.

(d) *Other Permitted Transfers.* Notwithstanding the limitations described in Section 2.01 of this Agreement, at any time following the First Year Lock-Up Expiration Date, a Stockholder may Transfer a number of Registrable Securities in excess of the amounts otherwise permitted pursuant to Section 2.01 or clauses (b) and (c) above if the Board (consisting solely of disinterested directors, which, for the avoidance of doubt shall not include (i) any director designated by such Stockholder or by the class of Stockholders to which such Stockholder belongs prior to any conversion or exchange pursuant to the Stockholders Agreement and (ii) in the case of any Employee-Partner, any director who is also an executive officer of the Company) determines (by vote of at least two-thirds of the directors then in office and eligible to vote) to permit Transfers in such amounts. Any Transfer of Registrable Securities pursuant to this clause (d) shall be subject to any terms and conditions as the Board may prescribe. The Board may withhold or delay any Transfers permitted pursuant to this clause (d) in its sole discretion.

ARTICLE III
REGISTRATION RIGHTS

Section 3.01 *Exchange Registration*

(a) As soon as possible after March 12, 2014 and in any event prior to June 12, 2014, the Company shall file with the SEC one or more registration statements (the "**Exchange Registration**") covering the delivery of all Class A Common Stock and Convertible Preferred Stock by the Company to the Stockholders in exchange for Units pursuant to the Exchange Agreement. The Company shall use its reasonable best efforts, prior to June 12, 2014 and in any event as soon as possible after March 12, 2014, to cause such Exchange Registration to be declared effective under the Securities Act by the SEC.

(b) The Company shall use its reasonable best efforts to keep the Exchange Registration continuously effective, subject to Section 3.07, until all of the Units of the Stockholders included in any such registration statement shall have actually been exchanged thereunder.

Section 3.02 *Shelf Registration*

(a) *Initial Shelf Registration*. As soon as possible after March 12, 2014 and in any event prior to June 12, 2014, the Company shall file with the SEC one or more registration statements on Form S-3 or such other registration form as is then available to the Company (each, a "**Shelf Registration**") registering a sufficient number of shares of Class A Common Stock to permit secondary sales of all Class A Common Stock pursuant to Section 3.03. The Company shall use its reasonable best efforts, prior to June 12, 2014 and in any event as soon as possible March 12, 2014, to cause such Shelf Registration to be declared effective under the Securities Act by the SEC.

(b) *Subsequent Shelf Registrations*. If the initial Shelf Registration or any subsequent registration pursuant to this Section 3.02(b) expires before any condition described in clauses (i) or (ii) of Section 3.02(c) is satisfied, the Company shall file with the SEC another Shelf Registration statement registering a sufficient number of shares of Class A Common Stock to permit secondary sales of all Class A Common Stock pursuant to Section 3.03. The Company shall use its reasonable best efforts to cause the SEC to declare such Shelf Registration effective as soon as possible after the expiration of the preceding Shelf Registration.

(c) *Shelf Registration Period*. In any event, the Company shall use its reasonable best efforts to keep a Shelf Registration continuously effective, subject to Section 3.07, until the earlier of (i) the date on which both the H&F Holders and AIC have completed the sale of all of their Registrable Securities and no longer hold any Units or shares of Convertible Preferred Stock and (ii) the date on which the Economic Interests of the H&F Holders and AIC each equal less than one percent (1%) and can be sold freely without restriction or limitation pursuant to Rule 144.

(d) The Company shall use its reasonable best efforts to file with the SEC a post-effective amendment to any Shelf Registration or prepare and file a supplement to the related prospectus or a supplement or amendment to any Shelf Registration, as applicable, so that any then-effective Shelf Registration registers Class A Common Stock in an amount sufficient to permit secondary sales of all Class A Common Stock that may be subsequently Transferred by the H&F Holders and AIC pursuant to Section 3.03. If the Company files a post-effective amendment to any Shelf Registration and such amendment is not automatically effective, the Company shall use its reasonable best efforts to cause the SEC to declare such post-effective amendment effective as soon as possible thereafter.

(e) *Other Secondary Registrations.* In the event that the IPO Follow-on Underwritten Offering is conducted pursuant to Section 2.02(a)(iii), the Company shall file with the SEC a registration statement on Form S-1 registering a number of shares of Class A Common Stock sufficient to permit the sale of all shares requested to be included in such offering permitted to be transferred pursuant to Section 2.02(a)(i) up to the Maximum Offering Size as soon as possible following a Change in Tax Law Determination. The Company shall use reasonable best efforts to (i) cause the SEC to declare effective any registration statements filed

pursuant to this Section 3.02(e) as soon as possible following the filing of such registration statement and (ii) complete the Underwritten Public Offering described in Section 2.02(a)(iii).

Section 3.03 *Use of Shelf Registration by the H&F Holders and AIC*

(a) *Unlimited Brokered Transactions.*

(i) Following the First Year Lock-Up Expiration Date, subject to Section 2.01(d)(v), the H&F Holders shall have the right to use the Shelf Registration to Transfer their Registrable Securities in an unrestricted number of brokered transactions, *provided* that the H&F Holders' rights pursuant to this Section 3.03(a) shall terminate ninety (90) days after the director nominee or Board observer designated by the H&F Holders pursuant to the Stockholders Agreement is no longer a director of the Company or a Board observer unless on such 90th day, the H&F Holders demonstrate in good faith to the Company that the H&F Holders are considered, or reasonably could be considered, "affiliates" of the Company for purposes of Rule 144, in which case, the H&F Holders shall continue to have the right to use the Shelf Registration for brokered transactions for so long as the H&F Holders demonstrate in good faith to the Company that the H&F Holders continue to be considered, or reasonably could be considered, "affiliates" of the Company for purposes of Rule 144. If the H&F Holders fail to make such good faith demonstration on such 90th day, the H&F Holders shall be deemed to be "non-affiliates" for purposes of this Agreement and the Exchange Agreement.

(ii) Following the AIC Demand Event, AIC shall have the right to use the Shelf Registration to Transfer all or a portion of its Registrable Securities not otherwise subject to Transfer restrictions hereunder in an unrestricted number of brokered transactions.

(b) *Requests for Shelf Takedowns*. Subject to the terms and conditions of this Section 3.03 and, with respect to the H&F Holders, Section 2.01(d)(v), both the H&F Holders and, following the AIC Demand Event, AIC (each, a "**Requesting Holder**") shall have the right to use the Shelf Registration to conduct Underwritten Public Offerings of Registrable Securities held by such Requesting Holder and not otherwise subject to Transfer restrictions hereunder. The Requesting Holder shall deliver a written notice of its request for the Company to effect an Underwritten Public Offering in accordance with Section 6.01 identifying the Requesting Holder and specifying the number of Registrable Securities to be included in such registration (the "**Registration Request**"). Subject to the terms and conditions of this Section 3.03, the Company shall give prompt written notice of such Registration Request to the Non-Requesting Holder, which, in the case of AIC, shall only be given following the AIC Demand Event. The Non-Requesting Holder must respond in writing within five business days of receipt of such notice in order to participate in such offering. The Company will thereupon use its reasonable best efforts to effect the demanded Underwritten Public Offering (a "**Demand Registration**") as promptly as possible of:

(i) all Registrable Securities requested to be sold by the Requesting Holder;

(ii) all Registrable Securities requested to be sold by the Non-Requesting Holder; and

(iii) any shares of Class A Common Stock proposed to be sold by the Company for its own account.

To the extent any Registrable Securities requested to be sold by any of the above are not then registered, the Company will use its reasonable best efforts to effect the registration of such Registrable Securities on the Shelf Registration or any other registration form available to the Company.

(c) *Conditions to Demand Registrations*.

(i) *Amount.* The Company shall not be obligated to effect a Demand Registration pursuant to Section 3.03(b) unless the aggregate net proceeds expected to be received from the sale of the Registrable Securities in such offering (including the aggregate net proceeds to the Requesting Holder and Non-Requesting Holder, if applicable) equals at least the lesser of (A) $35,000,000 and (B) the value of the Registrable Securities held by the Requesting Holder plus the value of any shares of Class A Common Stock issuable upon the exchange of Units or the conversion of shares of Convertible Preferred Stock held by the Requesting Holder at the time of the Registration Request.

(ii) *Timing*. Unless otherwise approved by the Board, neither the Requesting Holder nor the Non-Requesting Holder, as the case may be, shall be entitled to a Demand Registration within ninety (90) days after the closing of another Underwritten Public Offering.

(iii) *Preemption*. Once during each one-year period beginning on March 12, 2015, the Company shall have the right to postpone effecting a Demand Registration in order to conduct an Underwritten Public Offering of its Class A Common Stock for its own account (and/or, at the Company's sole discretion, for the account or accounts of any or all of the Stockholders), *provided* that (A) the Company must notify the Requesting Holder and any Non-Requesting Holder that requested participation in the Demand Registration of the postponement within five (5) business days of the Company's receipt of the Requesting Holder's Registration Request and (B) the Company shall use its reasonable best efforts to effect such Underwritten Public Offering as soon as practicable after notifying the Requesting Holder of the postponement and in any event within 45 days of the date on which the Company notified the Requesting Holder of the postponement. If the Company preempts a Demand Registration in accordance with this clause (iii), the related Registration Request will be automatically withdrawn by the Requesting Holder and will not count as a Demand Registration.

(d) *Number of Demand Registrations*.

(i) Subject to the limitations contained herein, the Company shall be obligated to effect the following number of Demand Registrations:

(A) in connection with a Registration Request by the H&F Holders, (1) during the first one-year period beginning on March 12, 2014, two (2) Demand Registrations that are Underwritten Public Offerings (but only one of which may be a Marketed Underwritten Offering), and (2) during each one-year period beginning on March 12, 2015, three (3) Demand Registrations that are Underwritten Public Offerings (but only one of which may be a Marketed Underwritten Offering), subject to, in the case of both subclauses (1) and (2), the limit of two (2) Marketed Underwritten Offerings in total; and

(B) in connection with a Registration Request by AIC, (1) during the first one-year period beginning on March 12, 2014, two (2) Demand Registrations that are Underwritten Public Offerings (but only one of which may be a Marketed Underwritten Offering) in the first one-year period, and (2) during each one-year period beginning on March 12, 2015, three (3) Demand Registrations that are Underwritten Public Offerings (but only one of which may be a Marketed Underwritten Offering) subject to, in the case of both subclauses (1) and (2), a limit of two (2) Marketed Underwritten Offerings in total.

(ii) A registration undertaken by the Company at the request of a Requesting Holder will not count as a Demand Registration if:

(A) the Requesting Holder withdraws the Registration Request in accordance with Section 3.06 and promptly reimburses the Company for incremental reasonable out-of-pocket expenses incurred by the Company in connection with preparing for the registration and sale of the Registrable Securities withdrawn;

(B) the Requesting Holder withdraws the Registration Request upon the determination of the Board to delay the use or effectiveness of any Shelf Registration pursuant to Section 3.07; or

(C) a Registration Request was automatically withdrawn pursuant to Section 3.03(c)(iii).

(iii) For the avoidance of doubt, (A) the IPO Follow-On Underwritten Offering will not count as a Demand Registration and (B) a Non-Requesting Holder's participation in a Demand Registration that it did not request shall not constitute a Demand Registration by such Non-Requesting Holder pursuant to Section 3.03(b) above.

Section 3.04 *IPO Follow-On Underwritten Offering*

(a) The Company shall use its reasonable best efforts to (i) register under the Securities Act a number of shares of Class A Common Stock equal to the number of Registrable Securities eligible and requested to be sold by the Stockholders at the time of such offering, (ii) cause such registration to be declared effective and (iii) complete the offering of such securities in an Underwritten Public Offering prior to June 12, 2014 and in any event as soon as possible after March 12, 2014. If such Underwritten Public Offering is conducted as a primary offering, the Stockholders participating therein shall be entitled to receive, for each Registrable Security included therein, after giving effect to Section 3.05(a), an amount equal to the net proceeds per share of Class A Common Stock sold in the IPO Follow-On Underwritten Offering.

(b) The Company may sell shares of Class A Common Stock for its own account in the IPO Follow-On Underwritten Offering.

(c) The Company will give written notice prior to conducting the IPO Follow-On Underwritten Offering to each of the Stockholders, which notice shall set forth the Company's intention to effect such offering and the rights of each of the Stockholders in connection with such offering. Upon the request of any Stockholder made promptly after the receipt of notice from the Company (which request shall specify the number of shares of Class A Common Stock, Units or shares of Convertible Preferred Stock, as applicable, intended to be sold by such Stockholder), the Company shall use its reasonable best efforts to include in the IPO Follow-On Underwritten Offering a number of shares of Class A Common Stock equal to all such securities so requested, subject to Article II and Section 3.05(a).

Section 3.05 *Priority of Registration Rights*.

(a) *Underwriter Cutbacks in the IPO Follow-On Underwritten Offering*. In connection with the IPO Follow-On Underwritten Offering, if the sole or managing underwriter of the registration advises the Company that in its opinion the number of shares of Class A Common Stock requested to be included exceeds the Maximum Offering Size, the Company shall include in such registration, in the priority listed below, the number of shares of Class A Common Stock up to the Maximum Offering Size:

(i) first, the number of shares of Class A Common Stock proposed to be registered by the Company for its own account; and

(ii) second, the number of Registrable Securities requested to be included in such registration by the Stockholders (including the H&F Holders), allocated pro rata among each Stockholder on the basis of such Stockholder's Economic Interest.

(b) *Underwriter Cutbacks in a Demand Registration*. In connection with any Demand Registration, if the sole or managing underwriter of the registration advises the Company that in its opinion the number of shares of Class A Common Stock requested to be included exceeds the Maximum Offering Size, the Company shall include in such registration, in

the priority listed below, the number of shares of Class A Common Stock up to the Maximum Offering Size:

(i) In a Demand Registration, if the H&F Holder is the Requesting Holder:

(A) first, the number of securities requested to be included in such registration by the H&F Holders up to the H&F Priority Amount;

(B) second, the number of Registrable Securities requested to be included in such registration by the H&F Holders and AIC up to the respective number of shares equal to the percentage of the H&F Holders' and AIC's respective Economic Interest multiplied by the Maximum Offering Size;

(C) third, any additional Registrable Securities proposed to be registered by the H&F Holders or AIC, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the H&F Holders and AIC on the basis of the Economic Interest of each; and

(D) fourth, the number of securities proposed to be registered by the Company for its own account.

(ii) if AIC is the Requesting Holder:

(A) first, the number of Registrable Securities requested to be included in such registration by the H&F Holders and AIC up to the respective number of shares equal to the percentage of the H&F Holders' and AIC's respective Economic Interest multiplied by the Maximum Offering Size;

(B) second, any additional Registrable Securities proposed to be registered by the H&F Holders or AIC, allocated, if necessary for the offering not to exceed the Maximum Offering Size, pro rata among the H&F Holders and AIC on the basis of the Economic Interest of each; and

(C) third, the number of securities proposed to be registered by the Company for its own account.

Section 3.06 *Withdrawal Rights*. Any Stockholder having notified or directed the Company to include any or all shares of Class A Common Stock in a registration statement under the Securities Act shall have the right to withdraw any such notice or direction with respect to any or all of the shares of Class A Common Stock designated by it for registration by giving written notice to such effect to the Company prior to the public announcement of the registration. In the event of any such withdrawal, the Company shall not include such shares of Class A Common Stock in the applicable registration and such shares of Class A Common Stock shall

continue to be Registrable Securities for all purposes of this Agreement. No such withdrawal shall affect the obligations of the Company with respect to the Registrable Securities not so withdrawn. If a Stockholder withdraws its notification or direction to the Company to include any shares of Class A Common Stock in a registration statement in accordance with this Section 3.06, such Stockholder shall be required to promptly reimburse the Company for incremental reasonable out-of-pocket expenses incurred by the Company in connection with preparing for the sale of the shares of Class A Common Stock withdrawn.

Section 3.07 *Suspension Periods*.

(a) The Company may delay or suspend (a) the use by any Stockholder of the Exchange Registration, (b) the use by the H&F Holders and AIC of any Shelf Registration pursuant to Section 3.03(a) or (b), or (c) the effectiveness of any registration statement contemplated by this Agreement (including by withdrawing such registration statement or declining to amend it or by taking other actions otherwise required hereunder with regard thereto), by delivering a certificate to each Stockholder certifying that the Company has elected to impose a Suspension Period (as defined below) pursuant to this Section 3.07 and specifying the period. The Company shall be entitled to impose a Suspension Period only if the Company's Chief Executive Officer, Chief Financial Officer or Chief Legal Officer, in his or her good faith judgment, believes that the use or effectiveness of such registration statement would require the Company to make public disclosure of material non-public information (x) the failure of which to be disclosed in the registration statement would constitute a material misstatement or omission, (y) the disclosure of which would not be required at such time but for the filing or effectiveness of the registration statement and (z) the Company has a bona fide business purpose for not disclosing such information publicly. Any period during which the Company has delayed or suspended the use of any Exchange Registration or Shelf Registration or any other matters referenced above pursuant to this Section 3.07 is herein called a "**Suspension Period**", and shall be for a reasonable time specified in the aforementioned certificate but in no event shall the number of days covered by any one or more Suspension Periods exceed 60 days in the aggregate during any rolling period of 365 days; *provided* that, with respect to the H&F Holders only, in no event shall the number of days covered by any one or more Suspension Periods exceed thirty (30) days in the aggregate during any rolling period of 365 days so long as the director nominee designated by the H&F Holders pursuant to the Stockholders Agreement is a director of the Company or a Board observer. The Company shall not be obligated under this Agreement to disclose any information with respect to the Suspension Period (including the reason therefor) other than to provide the certificate referenced above. Each Stockholder acknowledges that the existence of a Suspension Period may constitute material, non-public information about the Company or its securities and, accordingly, hereby agrees to keep confidential the existence of each Suspension Period, including any such certificate and the receipt thereof, and, for the duration of each Suspension Period, to refrain from making any offers, sales or purchases of Registrable Securities or any other securities of the Company, directly or indirectly, including through others or by means of any short sale or derivative transaction (or from directing any other Person to make such offers, sales or purchases or to refrain from doing so).

(b) Notwithstanding anything to the contrary herein, the Company also shall not be required to effect a registration, and no Stockholder shall have the right to use or sell securities pursuant to any registration statement, pursuant to this Agreement during any period beginning on the fifteenth day of the last month of each fiscal quarter and ending at the opening of regular session trading on the New York Stock Exchange on the trading day after the later of (x) the day on which the Company releases its earnings for that fiscal period and (y) the Company's earnings conference call for that fiscal quarter; *provided* that this Section 3.07(b) shall apply to the H&F Holders only for so long as the director nominee designated by the H&F Holders pursuant to the Stockholders Agreement is a director of the Company or a Board observer.

Section 3.08 *Holdback Agreements*.

(a) Subject to Section 3.08(b), if and to the extent requested in writing by the sole or managing underwriter in connection with any Underwritten Public Offering, both the Company and the Stockholders shall agree (it being understood that no such Stockholder shall be requested to so agree unless all such Stockholders are requested to do so), not to effect any public sale or distribution (including sales pursuant to Rule 144) of any shares of Class A Common Stock or any security convertible into or exchangeable or exercisable for such securities (except as part of such Underwritten Public Offering) during the period (each such period, a "**Holdback Period**") beginning ten (10) days prior to the launch of the Underwritten Public Offering and ending no later than the earlier of (i) ninety (90) days following the closing date of such offering and (ii) such day (if any) as the Company or the Stockholder(s), as applicable, and the sole or managing underwriter for such offering shall agree to designate for this purpose (such agreement a "**Holdback Agreement**").

(b) Neither the Company, nor the Stockholders shall be obligated to enter into a Holdback Agreement unless the Company's directors and executive officers (including, but not limited to, any executive officer that is deemed an officer for purposes of Section 16 of the Exchange Act) enter into agreements substantially similar to such Holdback Agreement. A Holdback Agreement shall not apply to the exercise of options to purchase shares of the Company (*provided* that such restrictions shall apply with respect to the securities issuable upon such exercise). For any Underwritten Public Offering other than the IPO Follow-On Underwritten Offering, any Stockholders that (i) are or were holders of Class A common units of Holdings or (ii) have an Economic Interest in the Company of less than 5% and, in either case, are not participating in such Underwritten Public Offering, shall not be required to enter into a Holdback Agreement pursuant to Section 3.08(a).

Section 3.09 *Registration Procedures*. In connection with any Shelf Registration or Underwritten Public Offering, subject to the terms and conditions of this Agreement, the paragraphs below shall be applicable:

(a) Prior to filing a registration statement or prospectus or any amendment or supplement thereto (other than any report filed pursuant to the Exchange Act that is incorporated by reference), the Company shall, if requested, furnish to each Stockholder requesting to include

Registrable Securities in such registration statement and each underwriter copies of such registration statement as proposed to be filed, and thereafter the Company shall furnish to such Stockholder and underwriter such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus) and any other prospectus filed under Rule 424 or Rule 430A under the Securities Act and such other documents as such Stockholder may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such Stockholder.

(b) After the effectiveness of the registration statement, the Company shall (i) cause the related prospectus to be supplemented by any required prospectus supplement, and, as so supplemented, to be filed pursuant to Rule 424 under the Securities Act, (ii) comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities covered by such registration statement during the applicable period in accordance with the intended methods of disposition by the Stockholders thereof set forth in such registration statement or supplement to such prospectus and (iii) promptly notify each Stockholder holding Registrable Securities covered by such registration statement of any stop order issued or threatened by the SEC or any state securities commission and use its reasonable best efforts to prevent the entry of such stop order or to obtain the withdrawal of such order if entered.

(c) To the extent any "free writing prospectus" (as defined in Rule 405 under the Securities Act) is used, the Company shall file with the SEC any free writing prospectus that is required to be filed by the Company with the SEC in accordance with the Securities Act and retain any free writing prospectus not required to be filed.

(d) The Company shall use its reasonable best efforts to (i) register or qualify the Registrable Securities covered by such registration statement under such other securities or "blue sky" laws of such jurisdictions in the United States as any Stockholder holding such Registrable Securities (in light of such Stockholder's intended plan of distribution) or each underwriter reasonably requests and (ii) cause such Registrable Securities to be registered with or approved by such other governmental agencies or authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be reasonably necessary or advisable to enable such Stockholder to consummate the disposition of the Registrable Securities owned by such person; *provided* that the Company shall not be required to (x) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3.09(d), (y) subject itself to taxation in any such jurisdiction or (z) consent to general service of process in any such jurisdiction.

(e) The Company shall immediately notify each Stockholder holding such Registrable Securities covered by such registration statement or each underwriter at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of an event (such an event, a "**Material Event**") requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material

fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and promptly prepare and make available to each such Stockholder or underwriter, if any, and file with the SEC any such supplement or amendment.

(f) The Company shall have the right to select an underwriter or underwriters in connection with any Underwritten Public Offering other than a Demand Registration. The Requesting Holder shall have the right to select the underwriter or underwriters in connection with any Demand Registration; *provided* that (i) such underwriter or underwriters shall be reasonably acceptable to the Company and (ii) the Requesting Holder shall use commercially reasonable efforts to cause the selected underwriter to engage the same counsel as served as underwriter's counsel in the most recent Underwritten Public Offering (or in the IPO, if applicable). In connection with any Underwritten Public Offering, the Company shall enter into customary agreements (including an underwriting agreement in customary form) and take all such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities in any such Underwritten Public Offering, including, if necessary, the engagement of a "qualified independent underwriter" in connection with the qualification of the underwriting arrangements with FINRA.

(g) Upon the execution of confidentiality agreements satisfactory in form and substance to the Company in the exercise of its good faith judgment, pursuant to the reasonable request of the Requesting Holder or any underwriter participating in an Underwritten Public Offering pursuant to this Agreement, the Company will give to each Requesting Holder and each underwriter and their respective counsel and accountants (collectively, the "**Inspectors**") (i) reasonable and customary access to its books and records ("**Records**") and (ii) such opportunities to discuss the business of the Company with its officers, employees, counsel and the independent public accountants who have certified its financial statements, as shall be appropriate, in the reasonable judgment of counsel to such Stockholder or underwriter, to enable them to exercise their due diligence responsibility. Records that the Company determines, in good faith, to be confidential and that it notifies the Inspectors are confidential shall not be disclosed by the Inspectors unless (x) the disclosure of such Records is necessary to avoid or correct a misstatement or omission of a material fact in such registration statement or (y) the release of such Records is ordered pursuant to a subpoena or other order from a court of competent jurisdiction. Each Stockholder agrees that information obtained by it as a result of such inspections shall be deemed confidential and shall not be used by it or its Affiliates as the basis for any market transactions in the Class A Common Stock unless and until such information is made generally available to the public. Each Stockholder further agrees that, upon learning that disclosure of such Records is sought in a court of competent jurisdiction, it shall, to the extent reasonably practicable, give notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of the Records deemed confidential.

(h) Upon the closing of each Underwritten Public Offering, the Company shall use its reasonable best efforts to furnish to each underwriter a signed counterpart, addressed to such underwriter, of (i) an opinion or opinions of counsel to the Company and (ii) a comfort

letter or comfort letters from the Company's independent public accountants, each in customary form and covering such matters of the kind customarily covered by opinions or comfort letters, as the case may be, as the sole or managing underwriter reasonably requests.

(i) Each Stockholder requesting to register Registrable Securities shall promptly furnish in writing to the Company such information regarding the distribution of the Registrable Securities as the Company may from time to time reasonably request and such other information as may be legally required or advisable in connection with such registration.

(j) Each Stockholder and each underwriter agrees that, upon receipt of any notice from the Company of the happening of a Material Event, such Stockholder or underwriter shall forthwith discontinue disposition of Registrable Securities pursuant to the registration statement covering such Registrable Securities until such Stockholder's or underwriter's receipt of the copies of the supplemented or amended prospectus contemplated by Section 3.09(e). If so directed by the Company, any Stockholder and underwriter shall deliver to the Company all copies, other than any permanent file copies then in such Stockholder's or underwriter's possession, of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice.

(k) The Company shall use its reasonable best efforts to list all Registrable Securities on any securities exchange or quotation system on which any shares of Class A Common Stock are then listed.

(l) The Company and each Stockholder shall use their reasonable best efforts to provide any documentation required by the transfer agent of Registrable Securities to remove any restrictive legends (or remove the analogous notation from the Company's share registry) on Registrable Securities Transferred pursuant to the Exchange Registration, Shelf Registration, Demand Registration or IPO Follow-On Underwritten Offering.

(m) The Company shall cause appropriate officers of the Company or Holdings to (i) prepare and make presentations at any "road shows" and before analysts and (ii) otherwise use their reasonable best efforts to cooperate as reasonably requested by the underwriters in the offering, marketing or selling of the Registrable Securities; *provided* that, in the case of a Demand Registration, if the Company has already conducted the maximum number of Marketed Underwritten Offerings permitted pursuant to Section 3.03(d) at the request of a Requesting Holder, then the Company and its officers shall have no obligation in regard to such Requesting Holder to (x) participate in one-on-one meetings or calls between investors and management of the Company or (y) conduct or participate in (A) a customary roadshow or other marketing activity that requires members of the management of the Company to be out of the office for two (2) business days or more or (B) group meetings or calls between investors and management of the Company or any other substantial marketing effort by the underwriters over a period of at least forty-eight (48) hours.

Section 3.10 *Registration Expenses*. The Company shall be liable for and pay all Registration Expenses in connection with any Exchange Registration, Shelf Registration,

Demand Registration and IPO Follow-On Underwritten Offering, regardless of whether such registration is effected, except as set forth in Section 3.03(d)(ii)(A) or as otherwise agreed.

Section 3.11 *Participation In Public Offering*. No Stockholder may participate in any Underwritten Public Offering or Demand Registration hereunder unless such Stockholder (a) agrees to sell such Stockholder's Registrable Securities on the basis provided in any underwriting arrangements approved by the Company and (b) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements and the provisions of this Agreement in respect of registration rights; *provided* that the H&F Holders shall not be required to complete or execute one or more powers of attorney required by the foregoing clause (b).

Section 3.12 *Piggyback Registration*.

(a) After the First Year Lock-Up Expiration Date, if the Company at any time proposes to effect an Underwritten Public Offering of its Class A Common Stock for its own account or the account of any Stockholder (other than (i) pursuant to the IPO Follow-On Underwritten Offering, any Exchange Registration or Demand Registration or (ii) pursuant to a registration on Form S-4 or S-8 or any successor or similar forms) (a "**Piggyback Registration**"), the Company will give written notice at least ten (10) business days prior to the anticipated launch of such Underwritten Public Offering to each of the H&F Holders and, following an AIC Demand Event, AIC, which notice shall set forth the Company's intention to effect the Underwritten Public Offering and the rights of each of the H&F Holders and AIC, as applicable, under this Section 3.12 and shall offer each of the H&F Holders and AIC, as applicable, the opportunity to sell in such Underwritten Public Offering the number of shares of Class A Common Stock as each may request, subject to the restrictions on Transfers herein, the provisions of this Section 3.12 and, with respect to the H&F Holders, Section 2.01(d)(v). Upon the request of any H&F Holder or, following an AIC Demand Event, AIC, made within seven (7) business days after the receipt of notice from the Company (which request shall specify the number of shares of Class A Common Stock intended to be sold by or for the benefit of such Stockholder), the Company shall use its reasonable best efforts to include in the Underwritten Public Offering all such shares that any H&F Holder or AIC have requested to be sold. Notwithstanding anything to the contrary herein, the H&F Holders and AIC must sell their Registrable Securities pursuant to this Section 3.12 to the underwriters selected by the Company and on the same terms and conditions as apply to the Company.

(b) The Company shall be liable for and pay all Registration Expenses in connection with any Piggyback Registration.

(c) In connection with a Piggyback Registration, if the sole or managing underwriter of the registration advises the Company that in its opinion the number of Registrable Securities requested to be included exceeds the Maximum Offering Size, the Company shall include Registrable Securities in such registration up to the Maximum Offering Size in accordance with the priority established by Section 3.05(a) with respect to the IPO Follow-On Underwritten Offering.

(d) No registration of Registrable Securities effected pursuant to a request under this Section 3.12 shall be counted as a Demand Registration.

Section 3.13 *Other Registration Rights.* Except as provided in this Agreement, without the prior written consent of AIC and the H&F Holders holding a majority of the aggregate number of Registrable Securities and Non-Registrable Securities then held by AIC and the H&F Holders, the Company shall not grant to any Person any registration rights with respect to any of its equity securities (or any securities convertible or exchangeable into or exercisable for such securities) that are more favorable than the then-current registration rights of the H&F Holders and AIC (including, among others, the H&F Holders' priority rights in accordance with Section 3.05 and Section 3.12(c)), *provided* that consent shall not be required from either AIC or the H&F Holders at any time after the Economic Interest of such party is less than five percent (5%).

Section 3.14 *Rules 144 and 144A.* The Company shall cooperate, to the extent commercially reasonable, with any Stockholders who shall Transfer any Registrable Securities pursuant to Rule 144 or 144A and shall provide to such Stockholders such information as such Stockholders shall reasonably request. Without limiting the foregoing, the Company shall at all times after the IPO: (a) make and keep available public information, as those terms are contemplated by Rule 144 (or any successor or similar rule then in force); (b) timely file with the SEC all reports and other documents required to be filed under the Securities Act and the Exchange Act; and (c) furnish to each Stockholder upon request a written statement by the Company as to its compliance with the reporting requirements of the Securities Act and the Exchange Act, a copy of the most recent annual or quarterly report of the Company, and such other information as such Stockholder may reasonably request in order to avail itself of any rule or regulation of the SEC allowing such Stockholder to Transfer any Registrable Securities without registration. Notwithstanding anything in this Section 3.14, the Company may deregister under Section 12 of the Exchange Act if it is then permitted to do so pursuant to the Exchange Act and the rules and regulations thereunder.

Section 3.15 *Securities Act Restrictions*.

(a) Notwithstanding anything to the contrary in this Agreement, the Registrable Securities and Non-Registrable Securities may not be offered or sold except pursuant to an effective registration statement or an available exemption from registration under the Securities Act. Accordingly, each Stockholder shall not, directly or indirectly, including through others or by means of any short sale or derivative transaction, offer or sell any Registrable Securities or Non-Registrable Securities except pursuant to an effective registration statement as contemplated herein or pursuant to Rule 144 or another exemption from registration under the Securities Act, if available. Except with respect to the Transfer of Class A Common Stock that was delivered pursuant to the Exchange Registration, prior to any Transfer of Registrable Securities or Non-Registrable Securities other than pursuant to an effective registration statement, a Stockholder shall notify the Company of such Transfer and the Company may require the Stockholder to provide, prior to such Transfer, such evidence that the Transfer will comply with the Securities Act (including written representations or an opinion of counsel) as the

Company may reasonably request. For the avoidance of doubt, nothing in this Section 3.15(a) shall be construed to contractually limit each Stockholder's rights to Transfer or distribute Registrable Securities and Non-Registrable Securities beyond the limitations and restrictions imposed by the Securities Act, *provided* that any such Transfer or distribution will be subject to the immediately preceding sentence.

(b) The Company may impose stop-transfer instructions with respect to any Registrable Securities or Non-Registrable Securities that are to be Transferred in contravention of this Agreement (including Section 3.07 and this Section 3.15). Any certificates representing the Registrable Securities or Non-Registrable Securities may bear a legend (and the Company's share registry may bear a notation) referencing the restrictions on Transfer contained in this Agreement, until such time as such securities have ceased to be or are to be Transferred in a manner that results in their ceasing to be, Registrable Securities. Subject to the provisions of this Section 3.15, the Company will use its best efforts to cause the then-acting transfer agent to replace any such legended certificates with unlegended certificates (or remove the analogous notation from the Company's share registry) within one (1) business day upon request by any Stockholder in order to facilitate a lawful Transfer or at any time after such shares cease to be Registrable Securities, *provided* that, if the Registrable Securities are to be Transferred otherwise than pursuant to the Exchange Registration, Shelf Registration, Demand Registration or IPO Follow-On Underwritten Offering, the Stockholder shall have provided any documentation or information required from it to replace such legended certificates or remove such analogous notations.

ARTICLE IV

INDEMNIFICATION AND CONTRIBUTION

Section 4.01 *Indemnification by the Company*. The Company agrees to indemnify and hold harmless, to the fullest extent permitted by law, each Stockholder and its Affiliates and their respective officers, directors, employees, managers, partners and agents, and each Person, if any, who controls such Stockholder or other indemnified person (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) from and against any and all losses, claims, damages, liabilities and expenses (including reasonable expenses of investigation and reasonable attorneys' fees and expenses) (collectively, "**Losses**") caused by, resulting from or relating to any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, prospectus, preliminary prospectus or free-writing prospectus (as defined in Rule 405 under the Securities Act) relating to the Registrable Securities (in each case, as amended or supplemented if the Company shall have furnished any amendments or supplements thereto), or any omission (or alleged omission) to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, except insofar as the same are caused by, resulting from or related to any such untrue statement or omission or alleged untrue statement or omission so made based upon information furnished in writing to the Company by such Stockholder or on such Stockholder's behalf expressly for use therein. The Company also agrees to indemnify any underwriters of the

Registrable Securities, their officers, directors, employees and agents and each Person who controls such underwriters (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) on substantially the same basis as that of the indemnification of the Stockholders provided in this Section 4.01.

Section 4.02 *Indemnification by Selling Stockholders*. In connection with any registration statement in which a Stockholder is participating, each such Stockholder agrees, to the fullest extent permitted by law, to severally but not jointly, indemnify and hold harmless the Company, its Affiliates and their respective officers, directors, employees and agents and each Person, if any, who controls the Company or such other indemnified person (within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act) from and against any and all Losses caused by, resulting from or relating to any untrue statement (or alleged untrue statement) of a material fact contained in any registration statement, prospectus, preliminary prospectus or free-writing prospectus (as defined in Rule 405 under the Securities Act) relating to the Registrable Securities (in each case, as amended or supplemented if the Company shall have furnished any amendments or supplements thereto), or any omission (or alleged omission) to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, but only to the extent that such untrue statement or omission or alleged untrue statement or omission is caused by and contained in information so furnished in writing by such Stockholder or on such Stockholder's behalf expressly for use therein. Notwithstanding the foregoing, no Stockholder shall be liable under this Section 4.02 for any Losses in excess of the net proceeds realized by such Stockholder in the sale of Registrable Securities of such Stockholder giving rise to such indemnification obligation.

Section 4.03 *Conduct of Indemnification Proceedings*. If any proceeding (including any governmental investigation) shall be instituted involving any Person in respect of which indemnity may be sought pursuant to this Article IV, such Person (an "**Indemnified Party**") shall promptly notify the Person against whom such indemnity may be sought (the "**Indemnifying Party**") in writing and the Indemnifying Party shall assume the defense thereof, including the employment of counsel reasonably satisfactory to such Indemnified Party, and shall assume the payment of all fees and expenses; *provided* that the failure of any Indemnified Party so to notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder except to the extent that the Indemnifying Party is materially prejudiced by such failure to notify.

In any such proceeding, any Indemnified Party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (a) the Indemnifying Party and the Indemnified Party shall have mutually agreed to the retention of such counsel, (b) in the reasonable judgment of such Indemnified Party representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them, including one or more defenses or counterclaims that are different from or in addition to those available to the Indemnifying Party, or (c) the Indemnifying Party shall have failed to assume the defense within thirty (30) days of notice pursuant to this Section 4.03. It is understood that, in connection with any proceeding or related

proceedings in the same jurisdiction, the Indemnifying Party shall not be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to any local counsel) at any time for all such Indemnified Parties, and that all such fees and expenses shall be reimbursed as they are incurred. In the case of any such separate firm for the Indemnified Parties, such firm shall be designated in writing by the Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent (such consent not to be unreasonably withheld), but if settled with such consent, or if there be a final judgment for the plaintiff, the Indemnifying Party shall indemnify and hold harmless such Indemnified Parties from and against any loss or liability (to the extent stated above) by reason of such settlement or judgment. Without the prior written consent of the Indemnified Party, no Indemnifying Party shall effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such settlement (x) includes an unconditional release of such Indemnified Party from all liability arising out of such proceeding, and (y) does not include any injunctive or other equitable or non-monetary relief applicable to or affecting such Indemnified Party.

Section 4.04 *Contribution*. If the indemnification provided for in this Article IV for the Indemnifying Party is not available to an Indemnified Party hereunder in respect of any Losses, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission. The amount paid or payable by a party under this Section 4.04 as a result of any Losses shall be deemed to include, subject to the limitations set forth in this Agreement, any reasonable attorneys' or other reasonable fees or expenses incurred by such party in connection with any proceeding to the extent such party would have been indemnified for such fees or expenses if the indemnification provided for in this Article IV was available to such party in accordance with its terms.

The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.04 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

Notwithstanding the foregoing provisions of this Section 4.04, no Stockholder shall be required to contribute, in the aggregate, any amount in excess of the net proceeds realized by such Stockholder from the sale of the Registrable Securities of such Stockholder in connection with the offering that gave rise to the contribution obligation, except in the case of fraud by such Stockholder.

Section 4.05 *Other Indemnification*. Indemnification similar to that specified herein (with appropriate modifications) shall be given by the Company and each Stockholder participating therein with respect to any required registration or other qualification of securities under any foreign, federal or state law or regulation or governmental authority other than the Securities Act.

ARTICLE V

EFFECTIVENESS AND TERMINATION

Section 5.01 *Effectiveness.* This Agreement shall become effective upon the completion of the H&F Repurchase and the execution and delivery of this Agreement by Stockholders who hold at least two thirds of the Capital Stock of the Company held by the Stockholders party hereto immediately prior to the time of effectiveness. If the H&F Repurchase is not completed prior to December 31, 2013, this Agreement shall be null and void and the Original Registration Rights Agreement shall remain in effect.

Section 5.02 *Term*. This agreement shall automatically terminate on the date that no Stockholder party to this Agreement from time to time owns any Registrable Securities or any Units or shares of Convertible Preferred Stock that may be exchanged or converted, respectively, into Registrable Securities.

Section 5.02 *Survival*. If this Agreement is terminated pursuant to Section 5.01, this Agreement shall become void and of no further force and effect, except for the provisions set forth in Articles IV and VI.

ARTICLE VI

MISCELLANEOUS

Section 6.01 *Notices*. All notices, requests, consents and other communications hereunder (each, a "**Notice**") shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, by courier service, by fax, by electronic mail (delivery receipt requested) or by certified or registered mail (postage prepaid, return receipt requested) to the respective parties at the following addresses (or at such other address for a party as shall be as specified in a Notice given in accordance with this Section 6.01):

(a) if to the Company to:

Artisan Partners Asset Management Inc.
875 E. Wisconsin Avenue, Suite 800
Milwaukee, WI 53202
Telephone: (414) 390-6100
Fax: (414) 390-6139
Attention: Chief Legal Officer
Electronic Mail: contractnotice@artisanpartners.com

with a copy to:

Sullivan & Cromwell LLP
125 Broad Street
New York, New York 10004
Telephone: (212) 558-4000
Fax: (212) 558-3588
Attention: Catherine M. Clarkin
Electronic Mail: clarkinc@sullcrom.com

(b) if to the H&F Holders to:

Hellman & Friedman LLC
One Maritime Plaza
12th Floor
San Francisco, CA 94111
Telephone: (415) 788-5111
Fax: (415) 788-0176
Attention: Allen R. Thorpe
Arrie R. Park
Electronic Mail: athorpe@hf.com
apark@hf.com

with a copy to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Telephone: (212) 225-2000
Fax: (212) 225-3999
Attention: Christopher E. Austin
Electronic Mail: caustin@cgsh.com

(c) if to any other Stockholder, to the address and other contact information set forth in the records of the Company from time to time.

Section 6.02 *Assignability*. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable without the prior consent of

the Company; *provided* that, for the avoidance of doubt, when a Person becomes a party to this Agreement pursuant to Section 6.03 an "assignment" for purposes of this Section 6.02 will not have occurred. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective heirs, successors, legal representatives and permitted assigns.

Section 6.03 *Joinder*. Any Person (unless already bound hereby) who (a) receives a Unit after the execution of this Agreement or (b) any permitted transferee of Registrable Securities or Non-Registrable Securities pursuant to Sections 2.01(a)(iii), 2.01(b)(iv), 2.01(c)(iv), 2.01(d)(iv) or 2.01(e)(iv) shall execute and deliver to the Company a Joinder to Resale and Registration Rights Agreement attached hereto as Exhibit A and shall henceforth be a "Stockholder".

Section 6.04 *Amendments; Waivers*.

(a) No provision of this Agreement may be waived except by an instrument in writing executed by the party against whom the waiver is to be enforced, *provided* that any waiver by the Company of any provision of this Agreement shall require approval of at least two thirds of the directors of the Company then in office. For the avoidance of doubt, any waiver contemplated by clauses (a), (b) or (d) of Section 2.02 must be granted pursuant to the respective clause. No provision of this Agreement may be amended or otherwise modified except by an instrument in writing executed by the Company and the holders of at least two-thirds of the Registrable Securities and Non-Registrable Securities, in the aggregate, held by the Stockholders party hereto at the time of such proposed amendment or modification; *provided* that no such amendment or modification may be made without the consent of any Stockholder materially and adversely affected by such amendment or modification.

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law.

Section 6.05 *Governing Law*. **This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed, interpreted and enforced in accordance with, the laws of the State of Delaware.**

Section 6.06 *Consent to Jurisdiction*.

(a) Each party hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the Court of Chancery of the State of Delaware or, if such Court declines jurisdiction, the courts of the State of Delaware sitting in Wilmington, Delaware and of the United States District Court for the District of Delaware sitting in Wilmington, Delaware, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or for recognition or enforcement of any judgment,

and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such Delaware State court or, to the fullest extent permitted by applicable law, in such United States District Court. Each party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(b) Each party irrevocably and unconditionally waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in Section 6.06(a). Each party irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of any such suit, action or proceeding in any such court.

(c) Each party irrevocably consents to service of process in the manner provided for notices in Section 6.01. Nothing in this Agreement shall affect the right of any party to serve process in any other manner permitted by law.

Section 6.07 ***Waiver of Jury Trial*. Each of the parties hereto hereby irrevocably waives any and all right to trial by jury in any legal proceeding arising out of or related to this Agreement or the transactions contemplated hereby**.

Section 6.08 *Specific Enforcement*. Each party hereto acknowledges that the remedies at law of the other parties for a breach or threatened breach of this Agreement would be inadequate and, in recognition of this fact, any party to this Agreement, without posting any bond or furnishing other security, and in addition to all other remedies that may be available, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy that may then be available.

Section 6.09 *Counterparts*. This Agreement may be executed and delivered (including by facsimile transmission or by e-mail delivery of a ".pdf" data file) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Copies of executed counterparts transmitted by telecopy, by e-mail delivery of a ".pdf" data file or other electronic transmission service shall be considered original executed counterparts for purposes of this Section 6.09.

Section 6.10 *Entire Agreement; No Third Party Beneficiaries*. This Agreement (i) constitutes the entire agreement and understanding among the parties hereto and supersedes all prior and contemporaneous agreements and understandings, both oral and written, among the parties hereto with respect to the subject matter hereof and (ii) is not intended to confer upon any Person, other than the parties hereto, except as provided in Sections 4.01 and 4.02, any rights or remedies hereunder.

Section 6.11 *Severability*. If any term or other provision of this Agreement is held to be invalid, illegal or incapable of being enforced by any rule of law, or public policy, all other

conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions is not affected in any manner materially adverse to any party. Upon a determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 6.12 *Further Assurances*. The parties shall execute, deliver, acknowledge and file such further agreements and instruments and take such other actions as may be reasonably necessary to make effective this Agreement and the transactions contemplated therein.

Section 6.13 *Independent Nature of Stockholders' Obligations and Rights*. The rights and obligations of each Stockholder hereunder are several and not joint with the rights and obligations of any other Stockholder hereunder. No Stockholder shall be responsible in any way for the performance of the obligations of any other Stockholder hereunder, nor shall any Stockholder have the right to enforce the rights or obligations of any other Stockholder hereunder. The obligations of each Stockholder hereunder are solely for the benefit of, and shall be enforceable solely by, the Company. The decision of each Stockholder to enter into this Agreement has been made by such Stockholder independently of any other Stockholder. Nothing contained herein or in any other agreement or document delivered at any closing, and no action taken by any Stockholder pursuant hereto or thereto, shall be deemed to constitute the Stockholders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Stockholders are in any way acting in concert or as a group with respect to such rights or obligations or the transactions contemplated by this Agreement, and the Company acknowledges that the Stockholders are not acting in concert or as a group and will not assert any such claim with respect to such rights or obligations or the transactions contemplated hereby.

[***Signature pages follow.***]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement or have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

ARTISAN PARTNERS ASSET
MANAGEMENT INC.

By: /s/ Sarah A. Johnson
Name: Sarah A. Johnson
Title: Executive Vice President, Chief Legal
Officer and Secretary

STOCKHOLDERS:

Each Stockholder listed on Schedule A hereto

By: /s/ Sarah A. Johnson
Name: Sarah A. Johnson
Title: Attorney-in-Fact

H&F BREWER AIV II, L.P.
By: Hellman & Friedman Investors V, L.P.
By: Hellman & Friedman LLC

By: /s/ Allen Thorpe
Name: Allen Thorpe
Title: Managing Director

HELLMAN & FRIEDMAN CAPITAL ASSOCIATES V, L.P.
By: Hellman & Friedman LLC

By: /s/ Allen Thorpe
Name: Allen Thorpe
Title: Managing Director

H&F BREWER AIV, L.P.
By: Hellman & Friedman Investors V, L.P.
By: Hellman & Friedman LLC

By: /s/ Allen Thorpe
Name: Allen Thorpe
Title: Managing Directors

EXHIBIT A

JOINDER TO REGISTRATION RIGHTS AGREEMENT

This Joinder Agreement (this "**Joinder Agreement**") is made as of the date written below by the undersigned (the "**Joining Party**") in accordance with the Amended and Restated Resale and Registration Rights Agreement (dated as of November 6, 2013 (as the same may be amended from time to time, the "**Registration Rights Agreement**")), among Artisan Partners Asset Management Inc. and the Stockholders party thereto. Capitalized terms used, but not defined, herein shall have the meaning ascribed to such terms in the Registration Rights Agreement.

The Joining Party hereby acknowledges, agrees and confirms that, by its execution of this Joinder Agreement, the Joining Party shall be deemed to be a party to the Registration Rights Agreement as of the date hereof and shall have all of the rights and obligations of a ["Stockholder"]["H&F Holder"] thereunder as if it had executed the Registration Rights Agreement. The Joining Party hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Registration Rights Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Joinder Agreement as of the date written below.

Date: _____ ___, _____

[NAME OF JOINING PARTY]

By: _____
Name:
Title:

Address for Notices:

Exhibit 31.1

CERTIFICATION

I, Eric R. Colson, certify that:

1. I have reviewed this report on Form 10-Q of Artisan Partners Asset Management Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period
   covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Eric R. Colson

Eric R. Colson
President and Chief Executive Officer and Director
(principal executive officer)

Date: November 7, 2013

Exhibit 31.2

CERTIFICATION

I, Charles J. Daley, Jr., certify that:

1. I have reviewed this report on Form 10-Q of Artisan Partners Asset Management Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period
    covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Charles J. Daley, Jr.

Charles J. Daley, Jr.
Executive Vice President, Chief Financial Officer and Treasurer
(principal financial and accounting officer)

Date: November 7, 2013

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Eric R. Colson, the President and Chief Executive Officer and Director of Artisan Partners Asset Management Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Eric R. Colson

Eric R. Colson
President and Chief Executive Officer and Director
(principal executive officer)

Date: November 7, 2013

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Charles J. Daley, Jr., the Executive Vice President, Chief Financial Officer and Treasurer of Artisan Partners Asset Management Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- The Quarterly Report on Form 10-Q of the Company for the period ended September 30, 2013 as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-Q"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Charles J. Daley, Jr.

Charles J. Daley, Jr.
Executive Vice President, Chief Financial Officer and Treasurer
(principal financial and accounting officer)

Date: November 7, 2013