Evercore Partners Inc.
Form DEF 14A
April 24, 2009
Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF

THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to Section 240.14a-12

EVERCORE PARTNERS INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(2) Aggregate number of securities to which transaction applies:

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

Table of Contents

EVERCORE PARTNERS INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

June 3, 2009

The annual meeting of stockholders of Evercore Partners Inc. will be held at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, on June 3, 2009, at 9:00 a.m., local time, for the following purposes:

- to elect the six director nominees identified in the accompanying proxy statement;
- to ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2009; and
- to transact such other business as may properly come before our annual meeting or any adjournments or postponements of that meeting.

Our Board of Directors has fixed the close of business on April 9, 2009 as the record date for the determination of stockholders entitled to notice of and to vote at our annual meeting and any adjournments or postponements of that meeting.

To be sure that your shares are properly represented at our annual meeting, whether you attend or not, please complete, sign, date and promptly mail the enclosed proxy card in the enclosed envelope. If your shares are held in the name of a bank, broker or other holder of record, their procedures should be described on the voting form they send to you.

Along with the attached proxy statement for our annual meeting, we are enclosing our 2008 Annual Report to Stockholders, which includes our financial statements.

BY ORDER OF THE BOARD OF DIRECTORS

Adam B. Frankel

Secretary

April 24, 2009

Table of Contents

EVERCORE PARTNERS INC.

55 East 52nd Street

38th Floor

New York, New York 10055

PROXY STATEMENT

Our Board of Directors is soliciting proxies to be voted at the annual meeting of stockholders to be held at the offices of Simpson Thacher & Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, on June 3, 2009 at 9:00 A.M. local time, and at any adjournments or postponements of the annual meeting.

This proxy statement and the enclosed proxy card or voting instruction card are first being mailed to you and other stockholders on or about April 24, 2009.

TABLE OF CONTENTS

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 3, 2009: The Notice of Annual Meeting, Proxy Statement and 2008 Annual Report to Stockholders are also available on http://bnymellon.mobular.net/bnymellon/EVR/

Table of Contents

GENERAL INFORMATION

Why am I receiving this proxy statement?

Our Board of Directors, which we refer to in these proxy materials as our *Board*, is soliciting proxies for our annual meeting and we will bear the cost of this solicitation. You are receiving a proxy statement because you owned shares of our Class A common stock and/or our Class B common stock as of the close of business on April 9, 2009. Your ownership of shares on that date entitles you to vote at our annual meeting. By using the attached proxy card or voting instruction card, you are able to vote whether or not you attend our annual meeting. This proxy statement describes the matters on which we would like you to vote and provides information on those matters so that you can make an informed decision when you do vote.

What will I be voting on?

You will be voting:

- to elect the six director nominees identified in this proxy statement;
- to ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2009; and
- to transact such other business as may properly come before our annual meeting or any adjournments or postponements of the meeting.

What are the Board s recommendations?

Our Board recommends a vote for the election of each of Roger C. Altman, Pedro Aspe, Francois de Saint Phalle, Gail B. Harris, Curt Hessler and Anthony N. Pritzker to serve until the next annual meeting of stockholders and until their successors are duly elected and qualified and a vote for the ratification of Deloitte & Touche LLP to serve as our independent registered public accounting firm for 2009.

How do I vote?

You can vote either in person at our annual meeting or by proxy without attending our annual meeting. We urge you to vote by proxy even if you plan to attend our annual meeting so that we will know as soon as possible that enough votes will be present for us to hold the annual meeting. You should follow the instructions set forth on the proxy card, being sure to complete it, to sign it and to mail it in the enclosed postage-paid envelope. If you attend the annual meeting in person, you may vote at the meeting and your proxy will not be counted.

If your shares are held in *street name*, please refer to the information forwarded to you by your bank, broker or other holder of record to see what you must do in order to vote your shares. If you want to vote in person, you must obtain a legal proxy from your broker and bring it to the meeting.

What is the difference between holding shares as a stockholder of record and as a beneficial owner or street name holder?

If your shares are registered directly in your name with our transfer agent, BNY Mellon, you are considered, with respect to those shares, the *stockholder of record*. We have sent the notice of annual meeting, proxy statement, annual report to stockholders, which we refer to in these proxy materials as our *Annual Report*, and proxy card directly to you.

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the *beneficial owner* of shares held in street name. The notice of annual meeting, proxy statement, Annual Report and a voting instruction card have been forwarded to you by your broker, bank or other

1

Table of Contents

holder of record who is considered, with respect to those shares, the stockholder of record. As the beneficial owner, you have the right to direct your broker, bank or other holder of record on how to vote your shares by using the voting instruction card included in the mailing or by following their instructions for voting.

How many votes must be present to hold the meeting?

The holders of a majority in voting power of the Class A common stock and Class B common stock issued and outstanding and entitled to vote at the meeting must be present in person or by proxy to hold our annual meeting.

Can I change my vote?

Yes. At any time before your proxy is voted you may change your vote by:

- revoking it by written notice to our Corporate Secretary at Evercore Partners, Inc., 55 East 52nd Street, 38th Floor, New York, New York 10055;
- delivering a later-dated proxy card; or
- voting in person at our annual meeting.

If your shares are held in street name, please refer to the information forwarded to you by your bank, broker or other holder of record for procedures on revoking or changing your vote.

How many votes do I have?

If you are a holder of our Class A common stock, then you are entitled to one vote at our annual meeting for each share of our Class A common stock that you held as of the close of business on April 9, 2009.

If you are a holder of our Class B common stock, then you are entitled to a number of votes at our annual meeting equal to the total number of vested and unvested Evercore LP units you held as of the close of business on April 9, 2009.

If you hold restricted stock units, you will not be entitled to vote the shares underlying such restricted stock units until you actually receive delivery of the shares of Class A common stock underlying such units.

All matters on the agenda for our annual meeting will be voted on by the holders of our Class A common stock and Class B common stock, voting together as a single class.

As of April 9, 2009, the record date for our annual meeting of stockholders, we had 12,253,497 shares of Class A common stock outstanding and 52 shares of Class B common stock outstanding that will carry an aggregate of 19,705,134 votes (i.e., an aggregate number of votes that is equal to the number of vested and unvested Evercore LP units outstanding on such date, excluding units held by Evercore Partners, Inc., which we refer to in these proxy materials as *we*, *us*, *our*, *Evercore* or the *Company*).

How many votes are required for the proposals to pass?

Directors are elected by a plurality vote, which means that the six director nominees with the greatest number of votes cast, even if less than a majority, will be elected. The ratification of the selection of Deloitte & Touche LLP as our independent registered public accounting firm requires the affirmative vote of a majority of the votes cast.

What if I decide to abstain or withhold my vote?

Abstentions and withheld votes will count as shares present for determining if a quorum is present at the annual meeting. Withheld votes have no effect on the context of the election of directors since directors are

Table of Contents

elected by a plurality vote cast by holders present in person or represented by proxy and entitled to vote. Regarding the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2009 or other matters that may properly come before the meeting, abstentions will have the same effect as a vote against the proposal since these matters require the affirmative vote of a majority of the votes cast.

What if I do not specify a choice for a matter when returning a proxy?

Stockholders should specify their choice for each matter on the enclosed proxy card and voting instruction card. If no specific instructions are given, proxy cards and voting instruction cards which are signed and returned will be voted FOR the election of each of the director nominees and FOR the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2009, and the persons named in the enclosed proxy will have discretionary authority to vote all proxies with respect to other matters in accordance with their judgment.

What does it mean if I receive more than one proxy card?

If you receive more than one proxy card, it means that you hold shares registered in more than one account. To ensure that all of your shares are voted, sign and return each proxy card you receive.

What if I don t return my proxy card or voting instruction card and don t attend our annual meeting?

If you are the stockholder of record (that is, your shares are registered in your own name with our transfer agent) and you don t vote your shares, your shares will not be voted. If your shares are held in street name, and you don t give your bank, broker or other holder of record specific voting instructions for your shares, under rules of the New York Stock Exchange (*NYSE*), we believe that your recordholder can vote your shares FOR the election of directors and FOR the ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2009. For certain other proposals, if you don t give your recordholder specific instructions and your recordholder does not have discretionary authority to vote your shares, the votes will be categorized as *broker non-votes*. Broker non-votes will be counted as present for purposes of determining whether enough votes are present to hold our annual meeting; however, a broker non-vote will have the effect of a no vote on proposals that require a specified percentage of the outstanding stock for approval and will have no effect on proposals that require a specified percentage of votes cast at such meeting for approval.

What happens if a nominee for director declines or is unable to accept election?

If you vote by signing the proxy card or voting instruction card, and if unforeseen circumstances make it necessary for our Board to substitute another person for a nominee, the proxies named in the proxy card or voting instruction card will vote your shares for that other person.

Will any one contact me regarding this vote?

In addition to solicitation by mail, proxies may be solicited by our directors, officers or employees in person, by telephone or by other means of communication, for which no additional compensation will be paid.

Will the annual meeting be webcast?

Our annual meeting will not be webcast.

What do I need to do if I want to attend the annual meeting?

You do not need to make a reservation to attend the annual meeting. However, please note that you will need to demonstrate that you are a stockholder to be admitted to the meeting and show proper identification. If

Table of Contents

your shares are held in the name of your bank, broker or other holder of record, you will need to bring evidence of your stock ownership, such as your most recent account statement and identification. If you do not have proof that you own our stock, you may not be admitted to the meeting. Attendance at the annual meeting is limited to our stockholders, members of their immediate families or their named representatives. We reserve the right to limit the number of representatives who may attend the meeting.

Is a list of stockholders available?

The names of stockholders of record entitled to vote at the annual meeting will be available to stockholders at least 10 days prior to our annual meeting at our principal executive offices located at 55 East 52nd Street, 38th floor, New York, New York 10055 during normal business hours, and at the annual meeting.

How do I find out the voting results?

Preliminary voting results will be announced at the annual meeting, and final voting results will be published in our Quarterly Report on Form 10-Q for the quarter ending June 30, 2009.

When is our fiscal year?

Our fiscal year ends on December 31st of each year. Our 2008 fiscal year was from January 1, 2008 through December 31, 2008. Our 2009 fiscal year will be from January 1, 2009 through December 31, 2009. When we use the term *2008* in these proxy materials, we are referring to our 2008 fiscal year.

What is the address of our principal executive offices?

Our principal executive offices are located at 55 East 52nd Street, 38th floor, New York, New York 10055.

Table of Contents

ANNUAL REPORT

Will I receive a copy of the Annual Report?

We have enclosed our Annual Report with this proxy statement. The Annual Report includes our audited financial statements, along with other financial information about us, which we urge you to read carefully.

How can I receive a copy of the Form 10-K?

You can obtain, free of charge, a copy of our Form 10-K by:

- **accessing our Internet site at *www.evercore.com* and clicking on the Investor Relations link;**
- **writing to Investor Relations at Evercore Partners Inc., 55 East 52nd Street, 38th floor, New York, New York 10055; or**
- **telephoning us at: (212) 857-3100.**

You can also obtain a copy of our Form 10-K and other periodic filings that we make with the Securities and Exchange Commission, or *SEC*, from the SEC s EDGAR database at *www.sec.gov*.

Table of Contents

ELECTION OF DIRECTORS

Our amended and restated certificate of incorporation provides that our Board will consist of that number of directors determined from time to time by our Board. Acting upon the recommendation of its Nominating and Corporate Governance Committee, our Board has nominated six persons identified herein for election as directors, to hold office until the next annual meeting of stockholders and the election and qualification of their successors.

All directors were first elected in August 2006, except for Mr. Altman, who was elected in 2005. Set forth below are the names of the nominees for election as our directors; their ages and principal occupations as of April 9, 2009; and their biographical information.

Name	Age	Position
Roger C. Altman	63	Co-Chairman, Chief Executive Officer and Director
Pedro Aspe	58	Co-Chairman and Director
Francois de Saint Phalle	63	Director
Gail B. Harris	56	Director
Curt Hessler	65	Director
Anthony N. Pritzker	48	Director

Roger C. Altman, Co-Chairman and Chief Executive Officer, co-founded Evercore Partners in 1996. Mr. Altman began his investment banking career at Lehman Brothers and became a general partner of that firm in 1974. Beginning in 1977, he served as Assistant Secretary of the U.S. Treasury for four years. He then returned to Lehman Brothers, later becoming co-head of overall investment banking, a member of the firm s management committee and its board. He remained in those positions until the firm was sold to Shearson/American Express. In 1987, Mr. Altman joined The Blackstone Group as vice chairman, head of its merger and acquisition advisory business and a member of its investment committee. Mr. Altman also had primary responsibility for Blackstone s international business. Beginning in January 1993, Mr. Altman returned to Washington to serve as Deputy Secretary of the U.S. Treasury for two years.

Mr. Altman is a trustee of New York-Presbyterian Hospital, serving on its Investment Committee, and also is vice chairman of The Board of The American Museum of Natural History. He also is a trustee of New Visions for Public Schools and is a member of The Council on Foreign Relations. He received an A.B. from Georgetown University and an M.B.A. from the University of Chicago.

Pedro Aspe, Co-Chairman, founded Protego Asesores S. de R.L. (*Protego*) in 1996, and serves as Protego s chairman of the board of directors and chief executive officer. Protego s activities include financial advisory services, private equity investment management and through its subsidiary Protego Casa de Bolsa, S. A. de C. V., investment and risk management advice, trade execution and custody services for client assets. Since 1995 Mr. Aspe has been a professor at the Instituto Tecnológico Autónomo de México located in Mexico City. Mr. Aspe has held a number of positions with the Mexican government and was most recently the Minister of Finance and Public Credit of Mexico from 1988 through 1994.

Mr. Aspe was elected as one of our directors in connection with our acquisition of Protego pursuant to the Contribution and Sale Agreement, dated May 12, 2006, among us, Evercore LP, Messrs. Altman and Aspe and the other parties named therein. Mr. Aspe is a principal, member of the investment committee and chairman of the Advisory Board of Discovery Americas I L.P. (the *Discovery Fund*) and Evercore Mexico Capital Partners II, L.P. (*EMP II*). Mr. Aspe serves as a director of a number of companies, including Televisa S.A. de C.V. and the McGraw Hill Companies. Mr. Aspe also currently serves as chairman of the board of Concesionaria Vuela Compañia de Aviación and Controladora Vuela Compañia de Aviación (Volaris), and a member of the Advisory Board of Marvin & Palmer and of MG Capital, in Monterrey, Mexico.

Mr. Aspe is a member of the board of the Carnegie Foundation, the Advisory Board of Stanford University s Institute of International Studies and the Visiting Committee of the Department of Economics of the

Table of Contents

Massachusetts Institute of Technology. Mr. Aspe received a B.A. in Economics from Instituto Tecnológico Autónomo de México and a Ph.D. in Economics from the Massachusetts Institute of Technology.

Francois de Saint Phalle, has been a private equity investor, financial advisor and investment banker for more than thirty-five years. Mr. de Saint Phalle has been a private investor since 2000 and was a consultant for Evercore from 2000 to 2002. From 1989 to 2000 he was chief operating officer and vice chairman of Dillon, Read & Co. Inc. before it was merged into UBS. In this capacity he was responsible for the oversight of the firm s capital commitments in debt and equity markets. Previously, Mr. de Saint Phalle worked for 21 years at Lehman Brothers. He was named a general partner of the firm in 1976 and at various points he managed the Corporate Syndicate Department, the Equity Division and co-headed the Corporate Finance Department. From 1985 to 1989 he served as chairman of Lehman International, with a primary responsibility for developing a coordinated international finance strategy with American Express which had acquired Lehman in 1984. He was named to Lehman s Operating and Compensation Committees in 1980. Mr. de Saint Phalle is also a director of BlackRock Kelso Capital Corporation and serves on its audit and governance committees.

Mr. de Saint Phalle is a member emeritus of the Board of Visitors of Columbia College. He received his B.A. from Columbia College.

Gail B. Harris, was a partner at Simpson Thacher & Bartlett LLP (*STB*), a leading international law firm, from 1984 to 1998, specializing in corporate and securities law, with an emphasis on entertainment and media companies, as well as joint ventures, and is currently Of Counsel to the firm. While at STB, Ms. Harris also represented underwriters in public debt and equity transactions and in the development of new financial products. Ms. Harris is a director of CIGNA Life Insurance Company of New York. Additionally, Ms. Harris is an adjunct professor of law at Ohio State University, Moritz College of Law, where she participates in their Distinguished Practitioners in Residence Program in Business Law. She is also the president of the Board of Directors of New York Cares, a leading non-profit organization providing volunteer services in New York City.

Ms. Harris serves on the Dean s Advisory Council of Stanford Law School and the Executive Committee of the Stanford Law School Board of Visitors. Ms. Harris received a B.A. with distinction from Stanford University and a J.D. from Stanford Law School.

Curt Hessler, has been an adjunct professor at the UCLA School of Law since 2003. Mr. Hessler has held various CEO and board-level leadership positions in media and information technology companies. In 1998, Mr. Hessler founded 101 Communications LLC, an information technology media company, as CEO and served as the company s chairman until its sale in 2006. From 1985 to 1991, he was vice-chairman and chief financial officer of Unisys Corporation; from 1991 to 1995, he was executive vice president of Times Mirror Company; he was chairman of I-net. Inc. during 1996; and he was president of Quarterdeck Corporation in 1997 and 1998. From 1981 to 1983, Mr. Hessler practiced law as a partner at Paul Weiss Rifkind Wharton & Garrison. From 1976 to 1981, Mr. Hessler served as the U.S. Assistant Secretary of the Treasury for Economic Policy, executive director of President s Economic Group, and associate director of OMB. He clerked for Judge J. Skelly Wright of the U.S. Court of Appeals in D.C. from 1973 to 1974 and then clerked for Justice Potter Stewart of the U.S. Supreme Court from 1974 to 1975. Mr. Hessler is currently a director of Learning Tree International, Inc.

Mr. Hessler received a B.A. from Harvard College, a J.D. from Yale Law School and an M.A. from the University of California at Berkeley. He was also a Rhodes Scholar of Balliol College at Oxford.

Anthony N. Pritzker, is a co-founder of The Pritzker Group, a private investment firm representing Pritzker family interests which partners with management teams in leveraged buyouts, acquisitions and recapitalizations of middle-market companies across a broad range of manufacturing, distribution and service industry sectors, where he has served as managing partner since January 2004. He has also served as chairman of Am-Safe, Inc. since September 2004. Mr. Pritzker has over twenty years experience leading middle-market manufacturing and distribution companies. From 2000 to 2004 he served as president of Baker Tanks, a leading tank and pump equipment rental company. In 1998, he was appointed by the Marmon Group to oversee Stainless

Table of Contents

Industrial Companies, a portfolio of several industrial manufacturing companies. Mr. Pritzker served as president of Stainless Industrial Companies from January 1998 to December 2005. From 1996 to 1998 he served as the regional vice president of operations in Asia for Getz Bros. & Co. Prior to 1996, Mr. Pritzker was a group executive at the Marmon Group and directed operations at Arzo, MD Tech, Micro-Aire, Oshkosh Door and Fenestra.

Mr. Pritzker is a trustee of Cal Arts, serves as a director for Heal The Bay and is a member of the Dartmouth Board of Overseers. Mr. Pritzker graduated with a B.A. from Dartmouth College and an M.B.A. from the University of Chicago.

To find additional information on these directors, see **RELATED PERSON TRANSACTIONS AND OTHER INFORMATION**. Our Board recommends the election of each of Roger C. Altman, Pedro Aspe, Francois de Saint Phalle, Gail B. Harris, Curtis Hessler and Anthony N. Pritzker, each of whom has also been nominated by our Board s Nominating and Corporate Governance Committee, which is comprised exclusively of independent directors.

Unless authority to vote for one or more of the nominees is specifically withheld according to the instructions, the proxies named in the enclosed proxy card will be voted FOR the election of Messrs. Altman, Aspe, de Saint Phalle, Hessler, Pritzker and Ms. Harris. Our Board does not contemplate that any of the nominees will be unable to serve as a director, but if that contingency should occur prior to the annual meeting, the persons named as proxies in the enclosed proxy card reserve the right to vote for such substitute nominee or nominees as they, in their discretion, may determine.

Table of Contents

EXECUTIVE OFFICERS

See **ELECTION OF DIRECTORS** above for information about Messrs. Altman and Aspe.

Adam B. Frankel (41), General Counsel, is responsible for our legal and compliance functions. Prior to joining us in July 2006, Mr. Frankel was senior vice president, general counsel and corporate secretary of Genesee & Wyoming Inc. from 2003 to 2006, a leading owner and operator of short line and regional freight railroads in the United States, Canada, Mexico, Australia and Bolivia. Mr. Frankel was also responsible for matters related to human resources and government affairs. Prior to that, Mr. Frankel worked from 1999 until 2003 as a corporate and transactions attorney in the office of the general counsel at Ford Motor Company. From 1995 until 1999, Mr. Frankel was an associate at STB in London and New York.

Mr. Frankel is currently a member of the board of directors at Picis, Inc., an established provider of innovative health care information technology solutions focused on the delivery of patient care in the high acuity areas of the hospital. Mr. Frankel is a member of the Board of Visitors of Stanford Law School. He has a B.A. from Brown University and a J.D. from Stanford Law School.

William O. Hiltz (57), is a Senior Managing Director in our corporate advisory business and currently oversees our investment management business. Prior to joining us in 2000, Mr. Hiltz was head of the global energy group at UBS Warburg and, prior to UBS s acquisition of Dillon Read & Co. Inc., head of the energy group at Dillon Read since 1995. From 1982 until 1995, Mr. Hiltz was a managing director at Smith Barney where at various times he headed the energy group, the high yield and merchant banking group, the transportation group and the general industrial group. Mr. Hiltz has 32 years of experience in the investment banking business, beginning in 1976 when he first joined Dillon Read.

Mr. Hiltz serves on the board of directors of Davis Petroleum Corp. and is a former director of Energy Partners, Ltd. He is a former trustee of the Salisbury School and currently serves as chairman of the board of trustees of Lenox Hill Hospital in New York. He received a B.A. in History and Government from Dartmouth College and an M.B.A. from The Wharton School at the University of Pennsylvania.

Eduardo Mestre (60), Co-Vice Chairman, is responsible for our corporate advisory business in the United States. From 2001 to 2004, Mr. Mestre served as chairman of Citigroup s global investment bank. From 1995 to 2001, he served as head of investment banking and, prior to that, as co-head of mergers and acquisitions at Salomon Smith Barney. As head of investment banking, Mr. Mestre led Salomon s business integration efforts arising from the various mergers that led to the creation of Citigroup. Prior to joining Salomon in 1977, Mr. Mestre practiced law at Cleary Gottlieb Steen & Hamilton LLP.

Mr. Mestre is a member of the board of directors of Avis Budget Group, Inc. Mr. Mestre is a member of the executive committee and past chairman of the board of WNYC, and is chairman of the board of Cold Spring Harbor Laboratory. Mr. Mestre has a B.A. from Yale University and a J.D. from Harvard Law School.

Bernard J. Taylor (52), Co-Vice Chairman is responsible for our business in Europe. Mr. Taylor was previously chief executive of Braveheart Financial Services Limited (*Braveheart* subsequently named Evercore Partners Limited, which we refer to in these proxy materials as *Evercore Europe*), which was acquired by us in December 2006. In 1999, Mr. Taylor was joint chief executive of global investment banking (corporate advisory, securities, banking, capital markets worldwide) and deputy chairman and chief executive of Robert Fleming & Co. Limited. On the acquisition of Flemings by Chase Manhattan, Mr. Taylor became responsible for the investment banking activities of the expanded Chase Manhattan Bank in Europe, Middle East and Africa as vice chairman and a member of the Chase Global Management Committee in New York. Following the acquisition of JPMorgan by Chase, Mr. Taylor remained a vice chairman of JPMorgan Investment Banking (Europe) until March 2006, when he joined Braveheart.

Table of Contents

Mr. Taylor is a member of the Council of Oxford University and is chairman of the audit and scrutiny committee of the university, a fellow of the Royal Society of Chemistry, Royal Commissioner on the Commission of 1851, chairman of ISIS Innovation Limited and a non-executive director of Oxford Instruments Group plc. He was educated at Cheltenham College and St. Johns College, Oxford University.

Robert B. Walsh (52), Chief Financial Officer, is responsible for our financial, tax, human resources, information technology and facilities functions and certain similar functions for our private equity funds. Mr. Walsh was appointed Chief Financial Officer in June of 2007. Prior to joining us, Mr. Walsh was a senior partner at Deloitte & Touche LLP, our independent registered public accounting firm, where he had been employed for the previous 27 years. At Deloitte & Touche LLP, Mr. Walsh was responsible for managing Deloitte s relationship with a variety of leading financial services industry clients, including Morgan Stanley, The Blackstone Group and Cantor Fitzgerald. At Deloitte & Touche, Mr. Walsh served as deputy managing partner and was directly responsible for managing its national advisory services businesses. At Deloitte & Touche, Mr. Walsh did not have any responsibility for our account.

Mr. Walsh received a Bachelor of Science degree from Villanova University and is a Certified Public Accountant. Mr. Walsh currently serves on the board of directors of New York Cares and IFA Insurance Company, a privately held property-casualty insurer.

Each of our executive officers serves at the discretion of our Board without specified terms of office.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, or the *Exchange Act,* requires our directors and executive officers, and any persons who beneficially own more than 10% of our stock, to file with the SEC initial reports of ownership and reports of changes in ownership in our stock. Such persons are required by SEC regulations to furnish to us copies of all Section 16(a) forms they file. As a matter of practice, our administrative staff assists our directors and officers in preparing and filing such reports with the SEC.

To our knowledge, based solely on the review of the reports filed by us on behalf of these individuals and written representations that no other reports were required, since January 1, 2008, all such Section 16(a) filing requirements were met except that Form 4s were filed late for the following transactions: Mr. Taylor in connection with the issuance of shares in a single transaction relating to the remaining portion of additional consideration payable to Mr. Taylor in connection with the sale of his shares of Braveheart to us, Mr. Walsh in connection with the surrender of shares in a single transaction for the payment of taxes relating to the vesting of previously granted restricted stock units, or *RSUs*, and Mr. Aspe in connection with the issuance of RSUs in a single transaction. A Form 3 reporting Mr. Hiltz s initial ownership was filed late in connection with the determination that Mr. Hiltz was an officer for purposes of Section 16 of the Exchange Act, and a Form 5 reporting the sale of shares of Class A common stock to a trust that he is affiliated with was filed late.

Table of Contents

RELATED PERSON TRANSACTIONS AND OTHER INFORMATION

Tax Receivable Agreement

Partnership units held by our Senior Managing Directors in Evercore LP may be exchanged for shares of our Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. Evercore LP has made and intends to make an election under Section 754 of the Internal Revenue Code (the *Code*) effective for each taxable year in which an exchange of partnership units for shares occurs, which may result in an adjustment to the tax basis of the assets owned by Evercore LP at the time of an exchange of partnership units. The exchanges have resulted and may in the future result in increases in the tax basis of the tangible and intangible assets of Evercore LP that otherwise would not have been available. These increases in tax basis increased and in the future would increase (for tax purposes) amortization and, therefore, reduce the amount of tax that we would otherwise be required to pay.

We have entered into a tax receivable agreement with certain of our current and former Senior Managing Directors, including Messrs. Altman, Aspe, Frankel, Hiltz and Mestre and Austin M. Beutner, our former President, Co-Chief Executive Officer, Chief Investment Officer and director, that provides for the payment by us to an exchanging Evercore partner of 85% of the amount of cash savings, if any, in U.S. federal, state and local income tax that we actually realize as a result of these increases in tax basis. We expect to benefit from the remaining 15% of cash savings, if any, in tax benefits that we realize. For purposes of the tax receivable agreement, cash savings in income tax will be computed by comparing our actual income tax liability to the amount of such taxes that we would have been required to pay had there been no increase to the tax basis of the tangible and intangible assets of Evercore LP as a result of the exchanges and had we not entered into the tax receivable agreement. The term of the tax receivable agreement will continue until all such tax benefits have been utilized or expired, unless we exercise our right to terminate the tax receivable agreement for an amount based on agreed payments remaining to be made under the agreement.

While the actual amount and timing of any payments under this agreement will vary depending upon a number of factors, including the timing of exchanges, the extent to which such exchanges are taxable and the amount and timing of our income, we expect that, as a result of the size of the increases of the tangible and intangible assets of Evercore LP attributable to our interest in Evercore LP, during the expected term of the tax receivable agreement, the payments that we may make to such Senior Managing Directors could be substantial. Although we are not aware of any issue that would cause the Internal Revenue Service to challenge a tax basis increase, we are not entitled to reimbursement for any payments previously made under the tax receivable agreement.

In May 2007, we completed a public offering for the sale of 1,581,778 shares of Class A common stock for cash consideration of $27.95 per share (net of underwriting discounts). We contributed all of the net proceeds from this public offering to Evercore LP, and Evercore LP issued to us 1,581,778 Evercore LP partnership units. In conjunction with this public offering, Senior Managing Directors (including certain of our executive officers) exchanged 2,942,932 Evercore LP partnership units for shares of our Class A common stock on a one-for-one basis. Due to the exchange, certain Senior Managing Directors became entitled to payments under the tax receivable agreement. The following table shows the amount paid to our executive officers pursuant to the tax receivable agreement in 2008:

Name	Tax Receivable Payments during 2008
Roger C. Altman	$ 184,664
Eduardo Mestre	64,130
Pedro Aspe	29,598
William O. Hiltz	67,232
Austin M. Beutner	181,941
Adam B. Frankel	8,652

Table of Contents

Mr. Taylor and Mr. Walsh do not hold Evercore LP partnership units.

Registration Rights Agreement

We have entered into a registration rights agreement pursuant to which we may be required to register the sale of shares of our Class A common stock held by certain current and former Senior Managing Directors, including Messrs. Altman, Aspe, Beutner, Frankel, Hiltz and Mestre, upon exchange of partnership units of Evercore LP held by such Senior Managing Directors. Under the registration rights agreement, such Senior Managing Directors have the right to request us to register the sale of their shares of Class A common stock and may require us to make available shelf registration statements permitting sales of shares into the market from time to time over an extended period. In addition, such Senior Managing Directors will have the ability to exercise certain piggyback registration rights in connection with registered offerings requested by other Senior Managing Directors or initiated by us.

Relationship with Private Equity Funds

Evercore LP, through its subsidiaries, is a non-managing member of the general partner of the Evercore Capital Partners II private equity fund, a limited partner of the general partner of the Discovery Fund and the general partner of EMP II. Evercore LP, through its subsidiaries, is entitled to receive the following distributions from its private equity funds: (1) 8% to 10% (depending on the particular fund investment) of the carried interest realized from the Evercore Capital Partners II fund and its affiliated entities (*ECPII*) and the Discovery Fund, (2) 50% of the carried interest realized from EMP II, and (3) gains (or losses) on investments made by each of the funds based on the amount of capital in that fund which is contributed to, or subsequently funded by, us. The respective general partners of the Evercore Capital Partners II, the Discovery Fund and EMP II make investment decisions and are entitled to receive carried interest, investment income and gains and losses on investments in the funds. For EMP II, we include as consolidated revenue all realized and unrealized carried interest earned by the general partner of EMP II, although a portion of the carried interest is allocated to employees, including Mr. Aspe, and such amounts are recorded as compensation expense. For 2008, there was no carried interest earned by the general partner of EMP II or paid to Mr. Aspe.

Several of our current and former Senior Managing Directors, including Messrs. Altman, Beutner, Hiltz and Mestre, are members of the general partner of ECP II. Mr. Aspe is a member of the general partner of the Discovery Fund and the general partner of EMP II. The partnership agreements governing Evercore Capital Partners I L.P. and its affiliated entities, ECP II, Evercore Venture Partners L.P. and its affiliated entities, Discovery Fund and EMP II, which we collectively refer to as our *Private Equity Funds*, provide for the payment by the limited partners of each fund of certain expenses incurred by the general partners of the funds and for the indemnification of the general partner, its affiliates and their employees under certain circumstances. As of December 31, 2008, we had an aggregate of approximately $15.8 million of investments in and an aggregate of approximately $11.3 million of unfunded commitments to ECP II, the Discovery Fund and EMP II. Certain employees and current and former Senior Managing Directors, including Messrs. Altman, Beutner and Hiltz, have also invested their own capital in side-by-side investments with our Private Equity Funds. These interests in the general partner of our Private Equity Funds and the side-by side investments are not subject to management fees or carried interest. In addition, certain Senior Managing Directors, including Messrs. Altman, Hiltz and Mestre have invested their own capital in products offered by Evercore Asset Management. These investment opportunities have been available to our Senior Managing Directors and to those of our employees whom we have determined to have a status that reasonably permits us to offer them these types of investments in compliance with applicable laws.

Table of Contents

The following table discloses capital contributions made by our executive officers and proceeds from dispositions received by our executive officers (which includes carried interest, return of capital, dividends, interest and realized gains) in connection with our Private Equity Funds and Evercore Asset Management since our initial public offering in August 2006, which we refer to in these proxy materials as our *IPO* :

Name	Capital Contributions	Net Proceeds from Disposition
Altman		
2008	$ 717,490	$ 255,575
2007	1,037,585	2,551,614
2006	21,393	8,394,192
Beutner		
2008	509,354	276,642
2007	36,430	3,046,436
2006	22,385	8,579,464
Hiltz		
2008	139,317	39,141
Mestre		
2008	493	312,283
2007	976,536	347,295
2006	1,067	144,377

See **EXECUTIVE COMPENSATION** for additional information about the carried interest received by our Named Executive Officers (as defined that section).

Evercore LP Partnership Agreement

We operate our business through Evercore LP and its subsidiaries and affiliates. As the general partner of Evercore LP, we have unilateral control over all of the affairs and decision making of Evercore LP. As such, we, through our officers and directors, are responsible for all operational and administrative decisions of Evercore LP and the day-to-day management of Evercore LP s business. Furthermore, we cannot be removed as the general partner of Evercore LP without our approval.

Pursuant to the partnership agreement of Evercore LP, we have the right to determine when distributions will be made to the partners of Evercore LP and the amount of any such distributions. If we authorize a distribution, such distribution will be made to the partners of Evercore LP (1) in the case of a tax distribution (as described below), to the holders of partnership units in proportion to the amount of taxable income of Evercore LP allocated to such holder and (2) in the case of other distributions, pro rata in accordance with the percentages of their respective partnership units. We may, however, authorize a distribution to the partners of Evercore LP who hold vested and unvested units in accordance with the percentages of their respective vested and unvested partnership units in the event of an extraordinary dividend, refinancing, restructuring or similar transaction.

The holders of partnership units in Evercore LP, including us, will incur U.S. federal, state and local income taxes on their proportionate share of any net taxable income of Evercore LP. Net profits and net losses of Evercore LP will generally be allocated to its partners pro rata in accordance with the percentages of their respective partnership units. The partnership agreement will provide for cash distributions to the partners of Evercore LP if we determine that the taxable income of Evercore LP will give rise to taxable income for its partners. In accordance with the partnership agreement, we intend to cause Evercore LP to make cash distributions to the holders of partnership units of Evercore LP for purposes of funding their tax obligations in respect of the income of Evercore LP that is allocated to them. Generally, these tax distributions will be computed based on our estimate of the net taxable income of Evercore LP allocable to such holder of partnership units multiplied by an assumed tax rate equal to the highest effective marginal combined U.S. federal, state and local income tax rate prescribed for an individual or corporate resident in New York, New York (taking into account the nondeductibility of certain expenses and the character of our income).

Table of Contents

Subject to the transfer restrictions set forth in the Evercore LP partnership agreement, holders of fully vested partnership units in Evercore LP (other than us) may exchange these partnership units for shares of Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. At any time a share of Class A common stock is redeemed, repurchased, acquired, cancelled or terminated by us, one partnership unit registered in our name will automatically be cancelled by Evercore LP so that the number of partnership units we hold at all times equals the number of shares of our Class A common stock then outstanding.

Under the terms of the Evercore LP partnership agreement, at the time of our IPO, 66 $^{2}/_{3}$% of the partnership units received by our Senior Managing Directors, other than Mr. Altman, Mr. Beutner and Mr. Aspe, and certain companies they control, and a trust benefiting directors and employees of Protego, which we acquired in connection with our IPO, were, with specified exceptions, subject to forfeiture and re-allocation to other Senior Managing Directors (or, in the event that there are no eligible Senior Managing Directors, forfeiture and cancellation) if the Senior Managing Director ceased to be employed by us prior to the occurrence of specified vesting events. 4,735,867, or 50%, of these unvested partnership units would have vested if and when Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 90% of the aggregate Evercore LP partnership units owned by them on the date of our reorganization in connection with our IPO, which we refer to in these proxy materials as the *Reorganization*. 9,589,032, or 100%, of the unvested partnership units issued would have vested upon the earliest to occur of the following events:

- when Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 50% of the aggregate Evercore LP partnership units owned by them on the date of the partnership agreement; or

- a change of control of Evercore, which is defined as the occurrence of any of the following: (1) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the assets of the general partner or Evercore LP to any person if any person or affiliated group of persons (other than the general partner, Messrs. Altman, Beutner and Aspe or any of their respective affiliates) will be, immediately following the consummation of such transaction or transactions, the beneficial owner, directly or indirectly, of more than 50% of the then outstanding securities or voting securities of such person; (2) the dissolution of the general partner or Evercore LP (other than by way of merger, consolidation or a reorganization transaction); (3) the consummation of any transaction (including, without limitation, any merger, consolidation or a reorganization transaction) the result of which is that any person or affiliated group of persons (other than the general partner, Messrs. Altman, Beutner and Aspe or any of their respective affiliates) become the beneficial owner, directly or indirectly, of more than 50% of the voting power of the general partner s then outstanding voting securities; or (4) the consummation of any transaction subject to Rule 13e-3 under the Exchange Act; and

- two of Messrs. Altman, Beutner and Aspe are not employed by, or do not serve as a director of ours, Evercore LP or any of its subsidiaries within a 10-year period following the IPO.

On April 7, 2008, Mr. Beutner announced his resignation from the Board, the Company and affiliated entities effective May 1, 2008.

In addition, 100% of the unvested Evercore LP partnership units held by a Senior Managing Director will vest if such Senior Managing Director dies or becomes disabled while in our employ. Our Equity Committee (as discussed and defined below) may also accelerate vesting of unvested partnership units at any time.

Upon the consummation of the sale of equity in our follow-on offering in May 2007, Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, held less than 90% but more than 50% of the aggregate Evercore LP partnership units.

Table of Contents

Except as described below, Evercore LP partnership units held by certain current and former Senior Managing Directors, including Messrs. Altman, Aspe, Beutner, Frankel and Hiltz, and certain trusts benefiting their families and permitted transferees, may not be transferred or exchanged for a period of five years following the IPO. In addition, Evercore LP partnership units held by a Senior Managing Director (other than Messrs. Altman, Beutner and Aspe) who is not employed by us on the fifth anniversary of the IPO may not be transferred or exchanged until the later of (A) August 10, 2014 or (B) five years after such Senior Managing Director ceases to be employed by us.

If a Senior Managing Director who was a Senior Managing Director of Evercore prior to the IPO (other than Messrs. Altman and Beutner) ceases to be employed by us, he or she will forfeit his or her unvested Evercore LP partnership units to the other currently employed persons who were Senior Managing Directors of Evercore (other than Messrs. Altman and Beutner) prior to the IPO (or, in the event that there are no other eligible Senior Managing Directors, such unvested partnership units will be forfeited and cancelled). If a Senior Managing Director who was a director of Protego prior to the IPO (other than Mr. Aspe) ceases to be employed by us, he or she will forfeit his or her unvested Evercore LP partnership units to the other currently employed persons who were directors of Protego (other than Mr. Aspe) prior to the IPO (or, in the event that there are no other eligible directors, such unvested partnership units will be forfeited and cancelled). Such forfeited partnership units will be re-allocated on a pro rata basis.

Notwithstanding the restrictions on transfer and exchange of Evercore LP partnership units described above and in addition to any other permitted transfer, Mr. Altman may transfer to charity, and these charitable transferees may sell, up to an aggregate of $10 million of Evercore LP partnership units or Class A common stock without the approval of the Equity Committee. In addition, all Senior Managing Directors are allowed to donate within any fiscal year up to 10% of the aggregate amount of their vested Evercore LP partnership units and vested but restricted shares of Class A common stock to charities, which can exchange, in the case of partnership units, such partnership units into freely tradable shares of Class A common stock or, in the case of restricted stock, have such restrictions removed and sell such shares of Class A common stock.

Equity Committee

The partnership agreement for Evercore LP provides for an *Equity Committee*, which is currently comprised of Mr. Altman and Mr. Aspe. If either Equity Committee member ceases to be associated with us, he will no longer be a member of the Equity Committee. Mr. Beutner was previously a member of our Equity Committee and ceased to serve on our Equity Committee in connection with his retirement effective on May 1, 2008. All decisions made by the Equity Committee must be unanimous.

The Equity Committee may accelerate vesting of unvested Evercore LP partnership units in whole or in part at any time and may permit transfers or exchanges by holders who remain our employees. In addition, the Equity Committee may, from time to time in its sole discretion, permit transfers or exchanges of Evercore LP partnership units held by Mr. Altman and Mr. Aspe. If the Equity Committee permits any employee to transfer or exchange Evercore LP partnership units, each employee will be entitled to participate ratably with one another in any such permitted disposition (i.e., each such holder shall be permitted to dispose of an equal proportion of his or her Evercore LP partnership units provided such units have vested).

Dissolution

Evercore LP may be dissolved only upon the occurrence of certain unlikely events specified in the partnership agreement. Upon dissolution, Evercore LP will be liquidated and the proceeds from any liquidation shall be applied and distributed in the following order:

First, to pay the debts, liabilities and expenses of Evercore LP;

Second, as reserve cash for contingent liabilities of Evercore LP; and

Third, to distribute pro rata to all vested Class A and B partnership units.

Table of Contents

Acquisition of Braveheart Financial Services Limited

On December 19, 2006, we completed our previously announced acquisition of all of the share capital of Braveheart, pursuant to the sale and purchase agreement, dated July 31, 2006, as amended by the closing agreement, dated December 19, 2006, in each case by and among us and the shareholders of Braveheart, including Bernard J. Taylor.

Pursuant to the sale and purchase agreement and the closing agreement, we issued to the shareholders of Braveheart an aggregate of 1,771,820 shares of our Class A common stock as consideration for all of the outstanding ordinary shares of Braveheart. Of this amount, Mr. Taylor received 1,413,557 shares. In addition, we paid to Mr. Taylor a total of £200,181 as consideration for all of the preference shares of Braveheart. We also repaid loans in the aggregate amount of £100,000 that Mr. Taylor made to Braveheart in connection with certain regulatory requirements of Braveheart. The sale and purchase agreement and the closing agreement provided that at any time prior to December 19, 2013, we may, in our sole discretion, issue up to an additional 590,607 shares of our Class A common stock to the shareholders of Braveheart, including up to an additional 471,186 shares issuable to Mr. Taylor, as additional consideration for the ordinary shares of Braveheart to reflect the success of Braveheart. On April 4, 2007, we issued 159,000 additional shares of our Class A common stock to the former shareholders of Braveheart, including 127,000 shares to Mr. Taylor. On March 13, 2008, we issued an additional 431,607 shares of our Class A common stock to the former shareholders of Braveheart, including 344,186 shares to Mr. Taylor. The issuance of shares in March of 2008 represents the final payment of shares of Class A Common Stock payable by us in connection with the acquisition of Braveheart. Pursuant to the sale and purchase agreement and the closing agreement, on April 1, 2008 the shareholders of Braveheart sold 211,590 shares for $18.44 per share to us to generate funds to satisfy related tax obligations. Of this amount, Mr. Taylor sold 168,800 shares issued to him in December 2006.

We also issued loan notes due in 2010 in the aggregate amount of $3 million to the shareholders of Braveheart, including a loan note in the amount of $2 million issued to Mr. Taylor, representing the earn-out consideration to which the shareholders were entitled under the sale and purchase agreement, and the closing agreement. The loan notes carried an annual interest rate of 1% over LIBOR and were payable in twice yearly installments in arrears on May 1 and October 31 of each year but may be called by the shareholders of Braveheart beginning in October 2007. On April 3, 2008 these loan notes and accrued interest, were redeemed for $3,074,277, which included $2,049,518 for the redemption of the loan note and accrued interest issued and payable to Mr. Taylor.

In connection with the acquisition, we entered into a service agreement with Mr. Taylor. The service agreement provides that Mr. Taylor is entitled to customary benefits, welfare and retirement plans commensurate with his position and is entitled to the free use of a personal car and a driver for travel between home and office and other business matters. For 2008, we incurred £61,694 of costs and expenses in providing a car and a driver used by Mr. Taylor and we contributed £156,000 into a U.K. tax qualified defined contribution plan for employees of Evercore Europe Limited on Mr. Taylor s behalf. In addition, pursuant to the service agreement, in the event a Senior Managing Director of ours ceases to be employed and his or her equity in Evercore LP is reallocated to those who were Senior Managing Directors prior to the IPO, Mr. Taylor will be included in this group and will also receive equity in connection with such distribution. As a result, in 2008, Mr. Taylor received equity equivalent to 48,025 Evercore partnership units. In addition, we entered into a registration rights agreement with the former shareholders of Braveheart, including Mr. Taylor providing for demand registration rights exercisable by our Equity Committee and piggyback registration rights exercisable by the former shareholders of Braveheart. This agreement is substantially similar to the registration rights agreement that we entered into with our Senior Managing Directors.

Business Use of Personal Aircraft

An entity controlled by Mr. Altman owns an aircraft that he uses for business and personal travel. We only reimburse Mr. Altman for the costs of his use of the aircraft for business travel, and such reimbursement is on

Table of Contents

terms that we believe are comparable to the costs we would incur by obtaining such air-travel from an independent third party. For travel undertaken during 2008, those costs were $1,220,968.

Policy Regarding Transactions with Related Parties

In 2007, we adopted a written Policy Regarding Transactions with Related Parties (as defined below) which requires that a Related Party must promptly disclose to our General Counsel the material terms of any transaction in which we are to be a participant and the amount involved exceeds $120,000 and in which such Related Party had or will have a direct or indirect material interest. The General Counsel will then communicate that information to the Board. No related party transaction will be consummated without the approval of the Board or the Nominating and Corporate Governance Committee of the Board. It is our policy that directors interested in a Related Party transaction will recuse themselves from any vote involving such a related party transaction. A *Related Party* is any of our executive officers, directors or director nominees, any stockholder owning in excess of 5% of our stock, or any immediate family member of any of the foregoing persons.

The related person transactions discussed under **Tax Receivable Agreement**; **Registration Rights Agreement**; **Relationship with Private Equity Funds**; and **Evercore LP Partnership Agreement** were not approved in accordance with our Policy Regarding Transactions with Related Parties because such transactions were undertaken pursuant to agreements that were entered into prior to the IPO.

Table of Contents

CORPORATE GOVERNANCE

Director Independence

General

Pursuant to the General Corporation Law of the State of Delaware, the state in which we are organized, and our amended and restated by-laws, our business, property and affairs are managed by or under the direction of our Board. Members of our Board are kept informed of our business through discussions with our executive officers and other officers, by reviewing materials provided to them by management and by participating in meetings of the Board and its committees.

NYSE Requirements

Under the NYSE s corporate governance rules, no director qualifies as independent unless our Board affirmatively determines that the director has no material relationship with us, either directly or as a partner, shareholder, or officer of an organization that has a relationship with us. In addition, directors who have relationships covered by one of five bright-line independence tests established by the NYSE, as discussed below, may not be found to be independent.

The NYSE s director independence requirements are designed to increase the quality of board oversight at listed companies and to lessen the possibility of damaging conflicts of interests. The NYSE s corporate governance rules do not define every relationship that will be considered material for purposes of determining a director s independence from our management. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships, among others. As the concern is a director s independence from our management, however, the NYSE does not view the ownership of even a significant amount of our stock, by itself, as a bar to an independence finding.

The NYSE has adopted five bright-line independence tests for directors. Each of these tests describes a specific set of circumstances that will cause a director to be not independent from our management. For example, a director who is an employee of ours, or whose immediate family member is an executive officer of ours, is not independent until three years after the end of the employment relationship. The other bright-line independence tests also have a three-year look-back requirement and address circumstances involving: the receipt of more than $120,000 per year in direct compensation from us, except for certain permitted payments such as director fees; employment by or affiliations with our current or former internal or external auditors; interlocking directorates; and certain business relationships involving companies that make payments to, or receive payments from, us above specified annual thresholds. For more information about the NYSE s bright-line director independence tests, including the NYSE commentary explaining the application of the tests, please go to the NYSE Web site at *www.nyse.com*.

Corporate Governance Principles and Categorical Independence Standards

In order to provide guidance on the composition and function of our governing body, our Board adopted our Corporate Governance Principles, which include, among other things, our categorical standards of director independence, which are set forth in Annex I to this proxy statement. These categorical independence standards establish certain relationships that our Board, in its judgment, has deemed to be material or immaterial for purposes of assessing a director s independence. In the event a director maintains any relationship with us that is not specifically addressed in these standards, the independent members of our Board will determine whether such relationship is material.

The Board has determined that the following relationships should not be considered material relationships that would impair a director s independence: (1) relationships where a director or an immediate family member of the director is an executive officer or director of another company in which we beneficially own, less than

Table of Contents

10% of the outstanding voting shares of that company; (2) relationships where a director, or an immediate family member of that director, serves as an executive officer, director or trustee of a charitable organization, and our annual charitable contributions to the organization (excluding contributions by us under any established matching gift program) are less than the greater of $1,000,000 or two percent of that organization s consolidated gross revenues in its most recent fiscal year; and (3) relationships where a director is a current employee, or whose immediate family member is a current executive officer, of another company that makes payments to, or receives payment from, us for property or services in an amount which, in any of the proceeding three fiscal years, did not exceed the greater of $1,000,000 or two percent of the consolidated gross revenues of such other company.

In 2008 we amended our Corporate Governance Principles to also provide, among other things, that all non-management directors must notify the Board of his or her retirement, change in employer, and of any other significant change in the director s principal professional occupation or roles and responsibilities, and, in connection with any such change, tender his or her resignation from the Board (and the applicable Board committees) for consideration by the Board. The Board would then consider the continued appropriateness of Board membership under the new circumstances and the action, if any, to be taken with respect to such resignation. The complete version of our Corporate Governance Principles is available on our website at *www.evercore.com* under the Investor Relations link. We will provide a printed copy of the Corporate Governance Principles to any stockholder who requests them by contacting Investor Relations.

Evaluations of Director Independence

The Nominating and Corporate Governance Committee undertook its annual review of director independence and reviewed with our Board its findings. During this review, our Board considered transactions and relationships between each director or any member of his or her immediate family and us, our subsidiaries and affiliates, including those reported under **RELATED PERSON TRANSACTIONS AND OTHER INFORMATION** above. Our Board also examined transactions and relationships between directors or their affiliates and members of our senior management. The purpose of this review was to determine whether any such relationships or transactions compromised a director s independence.

As a result of this review, our Board affirmatively determined that each of Messrs. de Saint Phalle, Hessler and Pritzker and Ms. Harris are independent under the categorical standards for director independence set forth in the Corporate Governance Principles. In reaching this determination, the Board considered the fact that Ms. Harris holds the title Of Counsel to STB which provides legal services to us and our affiliates and the fact that an investment vehicle composed of certain partners of STB, members of their families, Related Parties and others (but not Ms. Harris or any members of her family) own an interest representing less than 1% of the capital commitments of investment funds managed by us. In reaching this conclusion, it was noted that: (a) Of Counsel is a title given to certain retired partners of STB, which is in contrast to the titles of Senior Counsel and Counsel which are used for full-time STB employees who have not yet been promoted to partner, (b) Ms. Harris has not been an STB partner since 1998, (c) Ms. Harris has had no partnership or similar economic interest in STB since 1998, (d) Ms. Harris has never represented us or any of our affiliates, (e) since the beginning of 2008, Ms. Harris did not receive any payments from STB and (f) in each of the last three years, payments from us to STB were less than 2% of STB s revenues.

Messrs. Altman and Aspe are not considered to be independent directors as a result of their employment with us.

Our Board has also determined that Messrs. de Saint Phalle, Hessler and Pritzker and Ms. Harris are independent for purposes of Section 303A of the Listed Company Manual of the NYSE and that the members of the Audit Committee are also independent for purposes of Section 10A(m)(3) of the Exchange Act.

Table of Contents

Committees of the Board

General

Our Board has three standing committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.

The following table shows the membership of each of our Board s standing committees as of April 9, 2009, and the number of in-person and telephonic meetings held by each of those committees during 2008:

Director	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Francois de Saint Phalle	X	X	X
Gail Block Harris, Esq.	X		Chair
Curtis Hessler	Chair	X	
Anthony N. Pritzker		Chair	X
2008 Meetings	8*	6	1

* Includes quarterly conference calls with management and our independent registered public accounting firm to review our earnings releases and reports on forms 10-Q and 10-K prior to their filing.

Our Board has adopted a charter for each of the three standing committees that addresses the composition and function of each committee. You can find links to these materials on our website at *www.evercore.com* under the Investor Relations link, and we will provide a printed copy of these materials to any stockholder who requests it by contacting Investor Relations.

Audit Committee

General. The Audit Committee assists our Board in fulfilling its responsibility relating to the oversight of: (1) the quality and integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) our independent registered public accounting firm s qualifications and independence and (4) the performance of our internal audit function and independent registered public accounting firm.

Financial Literacy and Expertise. Our Board has determined that each of the members of the Audit Committee is financially literate within the meaning of the listing standards of the NYSE. In addition, our Board has determined that Mr. Hessler qualifies as an Audit Committee Financial Expert as defined by applicable SEC regulations and that he has accounting or related financial management expertise within the meaning of the listing standards of the NYSE. The Board reached its conclusion as to Mr. Hessler s qualification based on, among other things, his education and experience.

Compensation Committee

The Compensation Committee discharges the responsibilities of our Board relating to the oversight of our compensation programs and compensation of our executives. Each of the members of the Compensation Committee is an outside director within the meaning of Section 162(m) of the Code and a non-employee director within the meaning of Exchange Act Rule 16b-3. In fulfilling its responsibilities, the committee can delegate any or all of its responsibilities to a subcommittee of the committee.

Our Chief Executive Officer participates in discussions with the Compensation Committee and makes recommendations to it, but he does not vote or otherwise participate in the Compensation Committee s ultimate determinations. Our Board believes that it is wise and prudent to have our Chief Executive Officer participate in these determinations, because his evaluations and recommendations with respect to the compensation and benefits paid to executives are valuable to the Compensation Committee.

Table of Contents

None of our executive officers has served as a member of a board of directors or a compensation committee of a board of directors of any other entity which has an executive officer serving as a member of our Board or Compensation Committee, and there are no other matters regarding interlocks or insider participation that are required to be disclosed.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee assists our Board in fulfilling its responsibility relating to corporate governance by (1) identifying individuals qualified to become directors and recommending that our Board select the candidates for all directorships to be filled by our Board or by our stockholders, (2) developing and recommending the content of our Corporate Governance Principles and Code of Business Ethics and Conduct to our Board, and (3) otherwise taking a leadership role in shaping our corporate governance. In evaluating candidates for directorships, our Board, with the help of the Nominating and Corporate Governance Committee, takes into account a variety of factors it considers appropriate, which may include the following: strength of character and leadership skills; general business acumen and experience; knowledge of strategy, finance, international business, government affairs and familiarity with our business and industry; age; number of other board seats; and willingness to commit the necessary time all to ensure an active Board whose members work well together and possess the collective knowledge and expertise required by the Board. We have not paid a fee to any third party in consideration for assistance in identifying potential nominees for our Board.

Stockholder Recommendations for Director Nominations

As noted above, the Nominating and Corporate Governance Committee considers and establishes procedures regarding recommendations for nomination to our Board, including nominations submitted by stockholders. Such recommendations should be sent to the attention of our Corporate Secretary. Any recommendations submitted to the Corporate Secretary should be in writing and should include any supporting material the stockholder considers appropriate in support of that recommendation, but must include the information that would be required under the rules of the SEC to be included in a proxy statement soliciting proxies for the election of such candidate and a signed consent of the candidate to serve as one of our directors if elected. Stockholders must also satisfy the notification, timeliness, consent and information requirements set forth in our amended and restated by-laws. In order to better inform our Nominating and Corporate Governance Committee regarding the background, qualification and source of support of a candidate, in February 2009, we revised our procedures in our by-laws regarding recommendations for nomination to our Board to expand the information required to be provided by any stockholder who proposes director nominations, including disclosure of hedging activity by such stockholder, and to require periodic updating of such information.

The Nominating and Corporate Governance Committee evaluates all potential candidates in the same manner, regardless of the source of the recommendation. Based on the information provided to the Nominating and Corporate Governance Committee, it will make an initial determination whether to conduct a full evaluation of a candidate. As part of the full evaluation process, the Nominating and Corporate Governance Committee may conduct interviews, obtain additional background information and conduct reference checks of candidates. The Nominating and Corporate Governance Committee may also ask the candidate to meet with management and other members of our Board. When the Nominating and Corporate Governance Committee reviews a potential candidate, the Nominating and Corporate Governance Committee looks specifically at the candidate s qualifications in light of our needs and the needs of the Board at that time, given the current mix of director attributes. In evaluating a candidate, our Board, with the assistance of the Nominating and Corporate Governance Committee, takes into account a variety of additional factors as described in our Corporate Governance Principles.

Meeting Attendance

During 2008, our Board held eight formal meetings and our Board s standing committees held a total of fifteen meetings. Each of our directors attended more than 75% of the total number of (i) Board meetings and

Table of Contents

(ii) meetings of the Board committees on which he or she served (during the periods that he or she served). Our policy is that all of our directors, absent special circumstances, should attend our annual meeting of stockholders. All of our directors attended our 2008 annual meeting of stockholders.

Executive Sessions and Presiding Director

Our Corporate Governance Principles require our non-management directors to have at least one meeting per year without management present. We complied with this requirement in 2008. In order to facilitate communications among non-management directors on the one hand and management on the other hand, in 2008 Ms. Harris was selected to serve as the presiding director at these executive sessions.

Communicating with the Board

Stockholders interested in communicating directly with our Board, our non-management directors or an individual director may do so by writing to our Corporate Secretary and specifying whether such communication should be addressed to the attention of (i) the Board as a whole, (ii) non-management directors as a group or (iii) the name of the individual director, as applicable. Communications will be distributed to our Board, non-management directors as a group or to any individual director or directors as appropriate, depending on the facts and circumstances outlined in the communication. In that regard, our Board has requested that certain items that are unrelated to its duties and responsibilities should be excluded, such as spam, junk mail and mass mailings, resumes and other forms of job inquiries, surveys and business solicitations or advertisements.

In addition, material that is unduly hostile, threatening, illegal or similarly unsuitable will be excluded, with the provision that any communication that is filtered out must be made available to any non-management director upon request. Any concerns relating to accounting, internal control over financial reporting or auditing matters will be brought to the attention of our Audit Committee. In addition, for such matters, stockholders and others are encouraged to use our hotline discussed below.

Hotline for Accounting or Auditing Matters

As part of the Audit Committee s role to establish procedures for the receipt of complaints regarding accounting, internal accounting controls or auditing matters, we established a hotline for the anonymous submission of concerns regarding questionable accounting, internal control over financial reporting or auditing matters. Any matters reported through the hotline that involve accounting, internal control over financial reporting, audit matters or any fraud involving management or persons who have a significant role in our internal control over financial reporting, will be reported to the Chairman of our Audit Committee. Our current hotline number is (800) 475-8376.

Code of Business Conduct and Ethics

We have a Code of Business Conduct and Ethics applicable to all of our employees, including our Chief Executive Officer, our Chief Financial Officer, our Controller, and to the extent it applies to their activities, all members of our Board. You can find a link to our Code of Business Conduct and Ethics on our website at *www.evercore.com* under the Investor Relations link, and we will provide a printed copy of our Code of Business Conduct and Ethics to any stockholder who contacts Investor Relations and requests a copy. To the extent required to be disclosed, we will post amendments to and any waivers from our Code of Business Conduct and Ethics at the same location on our website as our Code of Business Conduct and Ethics.

Table of Contents

DIRECTOR COMPENSATION

Our policy is not to pay director compensation to directors who are also our employees. Each of our non-management directors received a one-time award of RSUs with a value of $50,000 upon his or her initial appointment to the Board. The RSUs were granted to our current directors under the 2006 Stock Incentive Plan and fully vested for each director in 2008, after a two-year period following the director s appointment to the Board. For 2008, each non-management director received an annual retainer of $70,000, payable, at the director s option, either 100% in cash or half of which is payable in cash and half of which is payable in shares of Class A Common Stock. In either case, compensation is paid at the next annual meeting of stockholders. For 2008, each of the non-management directors elected to receive 100% of the annual retainer in cash. For 2008, the chair of the Audit Committee also received an additional annual cash retainer of $10,000. Non-management directors are further reimbursed for travel and related expenses associated with attendance at Board or committee meetings as well as expenses for continuing education programs related to their role as members of the Board.

The following table provides summary information concerning compensation paid or accrued by us to or on behalf of our non-management directors for services rendered to us during 2008.

Director Compensation in 2008

Name	Fees Earned or Paid in Cash	Stock Awards(1)	Total
Francois de Saint Phalle	$ 70,000	$ 14,583	$ 84,583
Gail Block Harris	70,000	14,583	84,583
Curt Hessler	80,000	14,583	94,583
Anthony N. Pritzker	70,000	14,583	84,583

(1) The amounts reflected in the Stock Awards column reflects the dollar amounts recognized in accordance with Statement of Financial Accounting Standards No. 123 (revised), Share Based Payments (*SFAS 123R*), for financial statement purposes for 2008. In particular, the amount in the table represents that portion of each award s grant date fair value that was recognized in 2008 for RSUs granted to directors in connection with their original appointment to the Board. Assumptions used in the calculation of these amounts are included in Note 17 to our audited financial statements included in our Form 10-K for 2008. As of December 31, 2008, no RSUs were held by directors.

Table of Contents

COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

The following discussions and tables provides summary information concerning compensation for Messrs. Altman, Walsh, Aspe, Mestre, Hiltz and Mr. Beutner, although Mr. Beutner was no longer employed with us as of December 31, 2008, and we collectively refer to these individuals as our *Named Executive Officers*.

Compensation Discussion and Analysis

Our Executive Compensation Objectives and Philosophy

The goals of our executive compensation program are to align compensation with business objectives and performance, to enable us to attract, retain and reward executives who contribute to our long-term success and to increase stockholder value. As a professional service business, our future success depends to a substantial degree on our ability to retain and recruit highly qualified personnel. It will be necessary for us to add financial professionals as we pursue our growth strategy. However, notwithstanding the global economic contraction and severe challenges facing the financial services industry, the market for highly qualified financial professionals is still extremely competitive. In addition, although our Senior Managing Directors have all entered into non-compete and non-solicitation agreements, the loss of such personnel could still jeopardize our relationships with clients and result in the loss of client engagements. Accordingly, it is imperative for our compensation programs to be highly competitive and remain nuanced and flexible enough to reward outstanding individual achievement while overall compensation must contract.

Linkage of Management and Stockholder Interests

The interests of our Named Executive Officers are aligned with those of our stockholders through the ownership of significant amounts of our equity, as described in **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT** which are subject to material liquidity restrictions, as well as grants of equity through our bonus program. All of our Named Executive Officers (other than Mr. Walsh) hold the bulk of their equity in the form of Evercore LP partnership units. These Named Executive Officers are contractually restricted from transferring or exchanging Evercore LP partnership units for a period of at least five years following the IPO. These transfer restrictions may be removed in the event of (1) the Executive Officer s death or disability, (2) a change in control of the Company, (3) pro-rata transfers in conjunction with transfers by all currently employed senior managing directors, (4) specified charitable donations, or (5) the consent of the general partner, which is controlled by a majority of non-management directors. These transfer restrictions also prohibit hedging the economic risks of equity ownership. For a further discussion of the terms of the Evercore LP partnership agreement, see **RELATED PERSON TRANSACTIONS AND OTHER INFORMATION** Evercore LP Partnership Agreement. Mr. Walsh does not hold any Evercore LP partnership units. However, like our other key employees, Mr. Walsh holds a meaningful number of shares of restricted stock and RSUs that are subject to vesting over multiple years. Even after the shares subject to those awards become vested, most of those shares generally may not be transferred until the fifth anniversary of our IPO.

Our Named Executive Officers also participate in our annual equity award incentive program, which calls for the payment of a portion of their annual bonuses in RSUs. These RSUs are subject to vesting over multiple years and the related risk of forfeiture. As a result of the material amount of equity ownership interests, vesting conditions and transfer restrictions described above, we believe that our Named Executive Officers have a demonstrable and significant interest in increasing stockholder value over the long term. Therefore, we have not adopted any formal, specific equity ownership guidelines or polices for our executives.

How We Establish Compensation

Our Compensation Committee is responsible for implementing and administering all aspects of our compensation and benefit plans and programs for our Named Executive Officers. The Compensation Committee s charter can be found on our website (*www.evercore.com*) under the Investor Relations link.

Table of Contents

In establishing compensation for our Named Executive Officers, we take into account the fact that we generally do not provide significant retirement or similar benefits to our Named Executive Officers. In addition, to date we have neither relied upon compensation surveys nor have we used compensation consultants. The Compensation Committee will periodically review the effectiveness and competitiveness of our executive compensation programs, which may, in the future, involve the assistance of independent consultants.

Principal Components of Executive Compensation

A. Overview

The key components of our compensation program for executive officers are (1) base salary, (2) annual incentive compensation (which includes both cash and equity awards) and (3) carried interest earned by our Private Equity Funds, each of which is described below and all of which are considered in setting total compensation. Compensation for some of our Named Executive Officers for 2008 was determined pursuant to employment agreements. These agreements are described below under **Employment Agreements**.

B. Base Salary

Consistent with industry practice, the base salaries for our Named Executive Officers generally account for a small portion of their total potential compensation. Other than Messrs. Altman, Aspe and Walsh, whose salaries are set by an applicable employment agreement, our named Executive Officers base salaries are established by the Compensation Committee based on each executive s experience, expertise, position and alternative employment opportunities. Base salaries are then reviewed annually by the Compensation Committee and may be adjusted based on the Compensation Committee s subjective evaluation of each executive s performance during the prior year (as well as changes in the same factors considered in establishing initial base salaries). In addition, when adjusting base salaries for our Named Executive Officers, the Compensation Committee may consider adjustments made to the salaries of our broader employee population. No adjustments to salaries for the Named Executive Officers have been made since our IPO.

C. Bonuses

Consistent with industry practice, the bonuses potentially payable to our Named Executive Officers account for the majority of their total compensation opportunities.

1. Guaranteed Minimum Bonuses

In some cases we committed to guaranty certain minimum annual bonuses in order to encourage executives to leave their existing employer and join us or to remain employed through a specified period. As further described below under the heading **Employment Agreements**, each of Messrs. Altman, Aspe, Beutner and Walsh were guaranteed specified minimum bonuses for 2008. Guaranteed bonuses payable with respect to 2008 are included in the Summary Compensation Table under the heading Bonus, together with any additional amounts paid in the discretion of the Compensation Committee.

2008 was the second and final year of Mr. Walsh s bonus guaranty, which was agreed to as part of the arrangements to hire Mr. Walsh. While Mr. Beutner had a guaranteed bonus for 2008, that guaranty required him to remain in service for the entire year. Because he resigned during 2008, the guaranty did not apply and Mr. Beutner received no bonus for 2008.

While Mr. Altman and Aspe were entitled to a guaranteed annual bonus in addition to a profit annual bonus, due to the amendments in their employment agreements, our Compensation Committee has the discretion to consider the guaranteed annual bonuses in setting discretionary annual bonuses, which have replaced the formulaic profit amount bonuses previously provided for in their employment agreements. For 2008, our

Table of Contents

Compensation Committee exercised its discretion and considered these amounts in setting and paying discretionary bonuses. In order to avoid confusion and to better reinforce a pay for performance culture, Mr. Altman and Mr. Aspe agreed in March of 2009 to waive their rights to guaranteed annual bonuses for 2009 and subsequent years. Messrs. Hiltz and Mestre are not contractually guaranteed a minimum bonus for any year. Accordingly, none of our Named Executive Officers are entitled to guaranteed annual bonuses for 2009 or future years.

2. Discretionary Bonuses

As further described below under the heading **Employment Agreements**, Messrs. Altman s, Aspe s and Beutner s annual bonuses were originally structured as formulaic profit annual bonuses." However, both management and the Compensation Committee felt that it would be preferable to move away from purely formulaic profit annual bonuses given our relatively short public operating history, the need to expand our core businesses and diversify into new businesses and the potentially distortive impact of the introduction of new compensation measures, such as the award of time vested equity instead of cash on the comparability of annual results. In order to provide the Compensation Committee with greater flexibility in determining their annual bonuses, during 2008 we asked each of Messrs. Altman, Aspe and Beutner to amend their employment agreements to replace the formulaic bonus structure with bonuses determined solely in the discretion of the Compensation Committee. Each executive agreed to the change, effective with respect to 2008 and future years.

In evaluating 2008 performance, management and the Compensation Committee noted that we were not immune from the severe market downturn and the turmoil which has engulfed the entire financial services industry. Our revenues declined significantly, reflecting the overall decline in M&A volumes and the challenging environment for raising new private equity funds and increasing assets under management. Overall firm-wide compensation costs declined substantially but at a lower rate than revenues, reflecting the costs of our ongoing investment in adding talent to the business as well as the early stage of some of our operations.

For 2008, none of our Named Executive Officers had pre-established personal goals. However, in evaluating performance of its Named Executive Officers, management and the Compensation Committee noted that, while a number of our larger competitors have filed for bankruptcy, agreed to be acquired by larger commercial banks, and/or have taken government assistance from the Troubled Asset Relief Program, the strength of our business model has been reaffirmed. We remained one of the most active investment banking boutiques in the U.S. a position we have held since 2000 and finished 2008 with a record number of fee-paying clients and is an increasingly global firm. Other strategic factors that were considered include: the successful addition of four new partners to our Advisory business, expanding our team of M&A and Restructuring Advisory professionals and expanding into new industries where we see significant opportunity, as well as our further globalization by expanding our alliance with Mizuho Corporate Bank in Japan and establishing new alliances with CITIC in China and G5 Advisors in Brazil. Finally, it was noted that we successfully raised $120 million of long-term strategic growth capital, ending 2008 with a strong liquidity position.

In addition to these strategic factors, in recognition of the importance of developing and maintaining client relationships that generate significant and potentially recurring fees, especially during these turbulent times, the Compensation Committee and management focused on the revenues generated from client relationships originated or managed by our Named Executive Officers (other than Messrs. Aspe, Walsh and Beutner) in determining discretionary bonus amounts. Management reviewed the relative contributions of Messrs. Altman, Mestre and Hiltz in generating revenues (which were primarily generated from corporate advisory clients). Management then proposed to the Compensation Committee total amounts of bonuses for Messrs. Altman, Hiltz and Mestre based on the revenues that directly resulted from client relationships for which the executive was directly responsible for developing or maintaining. Mr. Altman agreed to have his guaranteed annual bonus included in determining the amount of discretionary bonus he would receive.

Table of Contents

For 2008, the factors considered by the Compensation Committee in awarding a bonus to Mr. Aspe included our performance relative to our industry as a whole, the performance of our Latin American operations conducted through Protego (including the growth of its advisory business, the growth of its asset management business and its success in raising EMP II) and the revenues generated from client relationships originated by Mr. Aspe. Mr. Aspe also agreed to have his guaranteed annual bonus included in determining the amount of discretionary bonus he would receive.

As noted above, in light of the cessation of his employment during 2008, Mr. Beutner received no bonus for 2008; Mr. Walsh did not receive any bonus in excess of his contractually guaranteed amount.

3. Payment of a Portion of Annual Bonuses in Equity

In February 2008, the employment agreements of Messrs. Altman, Aspe and Beutner were amended to provide that up to 50% of their profit annual bonuses (beginning with the bonus paid in respect of 2007) may be paid in the form of restricted securities, subject to time-based vesting over a period of up to four years (subject to acceleration upon death, disability, change in control or retirement eligibility). For both 2007 and 2008, the Compensation Committee elected to make full use of this provision and paid 50% of bonuses to Messrs. Altman and Aspe in RSUs.

The Committee used a similar approach for 2008 bonuses to other key employees, including Messrs. Mestre and Hiltz, and paid 30% of annual bonuses in excess of $500,000 in RSUs. Those RSUs vest over four years (subject to acceleration upon death, disability, change in control or retirement eligibility), and the shares underlying those RSUs will be delivered promptly following vesting. In accordance with the terms of his employment agreement, Mr. Walsh s 2008 guaranteed bonus was paid entirely in cash. It is expected that bonuses to Mr. Walsh in future years will be paid, at least in part, in restricted equity securities. The Compensation Committee has elected to pay a substantial portion of our management team s bonus compensation in restricted equity securities in order to encourage employee retention, to further encourage growth in our equity value and to conserve cash.

Only the cash portion of 2008 bonuses to Named Executive Officers is reflected in the Summary Compensation Table for 2008 under the heading Bonus. Because the equity awards associated with 2008 bonuses were made in 2009 and no financial accounting expense associated with those awards was recognized in 2008, the portion of 2008 bonuses payable in equity will only be reflected in our Summary Compensation Table in future years and will be reflected in the **Grants of Plan Based Awards** table for 2009.

D. Carried Interest

Prior to our IPO, Messrs. Altman, Beutner, Hiltz and Mestre were awarded the right to receive a portion of the carried interest earned by the general partner of each fund. The ultimate values of carried interest in respect of investments by our Private Equity Funds are not determinable until the investments have been fully divested or otherwise monetized by the relevant fund, a process that can take many years. As a result, Executive Officers may receive as additional compensation in any fiscal year attributable to carried interest allocated to such Executive Officers in previous fiscal years (subject to achievement of a minimum investment return for our funds outside investors). For EMP II, carried interest is allocated on a fund wide basis rather than on an investment by investment basis, and the timing of grants of carried interest for EMP II was tied to the formation of the fund. No portion of such carried interest is paid to employees until such time as the carried interest is actually paid to the general partner of each fund. Carried interest is subject to vesting, generally over a period of four years, and may only be transferred under limited circumstances.

Following the Reorganization in connection with the IPO, the general partners of our pre-IPO Private Equity Funds are no longer our consolidated subsidiaries, and we do not treat carried interest received from these entities

Table of Contents

by our employees as compensation. However, for EMP II we include as consolidated revenue all realized and unrealized carried interest earned by the general partner of EMP II, although a portion of the carried interest is allocated to employees and such amounts are recorded as compensation expense. For 2008, there was no carried interest earned by the general partner of EMP II.

Our Rationale for Agreements that Provide for Payments to Executives upon the Occurrence of Specified Events

The employment agreements we entered into with some of our Named Executive Officers provide for severance payments and, in connection with a severance that occurs after a change in control, additional payments (including tax gross-up payments to protect certain Named Executive Officers from so-called golden parachute excise taxes that could arise in such circumstances). We believe that these severance and change-in-control arrangements mitigate some of the risk that exists for executives working in a smaller company. These arrangements are intended to attract and retain qualified executives who have other job alternatives that may appear to them, in the absence of these arrangements, to be less risky.

In addition, because of the significant acquisition activity in the financial services industry, there is a possibility that we could be acquired in the future. Accordingly, we believe that severance and change in control arrangements are necessary to enable key executives to evaluate objectively the benefits to our stockholders of a proposed transaction, notwithstanding its potential effects on their own job security.

Process and Timing for Grants of Bonuses and Equity Awards

Other than as a result of deadlines established in employment agreements for some of our Named Executive Officers, we determine annual bonus amounts, payable in cash or equity, in connection with the issuance of our fourth quarter earnings release. The Compensation Committee authorizes all equity awards to Named Executive Officers. Equity awards for Named Executive Officers with respect to 2008 performance were approved by the Compensation Committee on February 9, 2009, after the release of our fourth quarter 2008 earnings.

Tax and Accounting Considerations

Section 162(m) of the Code generally disallows public corporations from claiming a tax deduction for compensation in excess of $1 million paid to a named executive officer (generally excluding for this purpose the corporation s principal financial officer). The Compensation Committee believes that there are circumstances where the provision of compensation that is not fully deductible may be more consistent with our compensation philosophy and objectives and/or may be in our best interests and those of our stockholders. The Compensation Committee s ability to exercise discretion and to retain flexibility in this regard may, in certain circumstances, outweigh the advantages of qualifying all compensation as deductible, or causing all compensation expenses to be accounted for in a particular fashion. Accordingly, the Compensation Committee reserves the authority to award compensation that may not be fully deductible. However, we structure compensation in a manner intended to avoid additional taxes, interest or penalties under Section 409A of the Code for employees.

We review the design of compensation programs to assure that the recognition of expense for financial reporting purposes is consistent with our financial modeling and that the non-cash portion of our compensation would qualify for classification as equity awards under SFAS 123R. Under SFAS 123R, the compensation cost recognized for an award classified as an equity award is generally fixed for the particular award at the time of grant, and, absent modification, such amount is not revised with subsequent changes in market prices of our Class A common stock or other assumptions used for purposes of the valuation.

Table of Contents

Summary Compensation Table

Name and Principal Position	Salary	Bonus	Stock Awards(1)	All Other Compensation(2)	Total
Roger C. Altman					
Co-Chairman and Chief Executive Officer					
2008	$ 500,000	$ 1,500,000(3)	$ 428,025	$ 302,468	$ 2,730,493
2007	500,000	2,116,000(3)		257,986	2,873,986
2006(4)	187,500	750,000		10,586,005	11,523,505
Robert B. Walsh					
Chief Financial Officer					
2008	500,000	1,000,000	892,361	4,043	2,396,404
2007(5)	288,141	1,000,000	721,598		2,009,739
Eduardo Mestre					
Co-Vice Chairman					
2008	500,000	4,350,000(6)	226,626	203,463	5,280,089
2007	500,000	3,090,000(6)	8,901,522(7)	175,129	12,666,651
2006(4)	187,500	2,000,000		6,145,377	8,332,877
Pedro Aspe(8)					
Co-Chairman					
2008	500,000	1,050,000(9)	151,756	35,346	1,737,102
William Hiltz					
Senior Managing Director					
2008	500,000	850,000(10)	336,876	212,026	1,898,902
Austin M. Beutner(11)					
Former President, Co-Chief Executive Officer and Chief Investment Officer					
2008	354,167		1,616,011	70,039	2,040,217
2007	500,000	2,116,000(12)		46,693	2,662,693
2006(4)	187,500	750,000		6,478,603	7,416,103

(1) The amounts reflected in the Stock Awards column reflect the expense recognized in accordance with SFAS 123R for financial statement reporting purposes for the fiscal year. Equity awards for 2008 performance were granted in 2009 and are subject to time-based vesting and, as a result, we do not accrue any compensation expenses associated with such equity awards prior to the year such awards are granted. The amounts shown in this column for 2008 reflect the expense recognized for equity awards granted in 2008 for 2007 performance. Assumptions used in the calculation of these amounts are included in Note 17 to our audited financial statements included in our Form 10-K for 2008.

Table of Contents

(2) All Other Compensation for each of the Named Executive Officers includes the following:

Name	Participation in Earnings of Evercore Entities (Excluding Carried Interest)(a)	Carried Interest Realized(b)	Dividends(c)	Perquisites and Other Personal Benefits(d)	Total All Other Compensation
Roger C. Altman					
2008	$	$	$	$ 302,468(e)	$ 302,468
2007				257,986(e)	257,986
2006	9,844,993	623,633		117,379(e)	10,586,005
Robert B. Walsh					
2008			4,043		4,043
2007					
Eduardo Mestre					
2008			203,463		203,463
2007			175,129		175,129
2006	6,145,377				6,145,377
Pedro Aspe					
2008				35,346(f)	35,346
William Hiltz					
2008			212,026		212,026
Austin M. Beutner					
2008				70,039(g)	70,039
2007				46,693(g)	46,693
2006	5,837,441	641,162			6,478,603

(a) Prior to the Reorganization and the IPO, Evercore historically operated in the form of limited partnerships, limited liability companies or sub-chapter S entities and the Senior Managing Directors, instead of a salary and bonus, received their compensation in the form of participation in the earnings of the respective entities in which they were members or partners. The amounts presented in this column for 2006 reflect distributions made to the Named Executive Officers by such entities in respect of the portion of the year prior to the Reorganization and the IPO and exclude distributions made to Messrs. Altman, Beutner and Mestre in 2006 in respect of the prior fiscal year in the amounts of $6,673,000, $4,397,309 and $3,528,000, respectively.

(b) The amounts in this column reflect the amount of cash distributions to Named Executive Officers in the form of carried interest paid to the general partners of our Private Equity Funds in connection with investments realized by these funds prior to the Reorganization and the IPO. Following the Reorganization, the general partners of our Private Equity Funds other than EMP II are not consolidated subsidiaries of ours, and this column for 2006 subsequent to the IPO, 2007 and 2008 does not reflect distributions of realized carried interest by the general partners of these funds to Messrs. Altman, Aspe, Beutner, Hiltz and Mestre which are listed below:

Name	2006 Post IPO	2007	2008
Roger C. Altman	$ 6,614,103	$ 2,016,060	$ (627,261)
Eduardo Mestre	123,416	264,644	259,486
Pedro Aspe	*	*	
William Hiltz	*	*	(138,591)
Austin M. Beutner	6,771,429	2,394,943	(418,795)

* Messrs. Aspe and Hiltz were not named executive officers prior to 2008.

To date there have been no realized carried interest distributions from EMP II.

30

Table of Contents

(c) Represents the dollar value of dividends paid in 2007 and 2008 relating to: (1) the portion of vested Evercore LP partnership units that were accounted for as compensation expense and (2) shares of restricted stock. Dividends associated with vested Evercore LP partnership units granted in connection with the IPO are not included in this column because the issuance of such units was accounted for as an exchange between entities under common control and not as a compensation expense. In contrast, the Evercore LP partnership units that vested pursuant to our follow on offering in May 2007 are accounted for as compensation expense.

(d) Except as otherwise provided below, perquisites and other personal benefits to the Named Executive Officers were less than $10,000 and therefore information regarding perquisites and other personal benefits has not been included. Excluded from this column is the $30,000 profit sharing contribution relating to 2005 that was paid in 2006 for all Named Executive Officers, other than Mr. Aspe or Mr. Walsh who were not in our employ at the time.

(e) For 2008 and 2007, such amounts respectively reflect $138,135 and $110,467 of costs and expenses incurred by us in providing an automobile and driver, $50,000 of costs and expenses incurred by us for tax and investment services that were provided for Mr. Altman for each year and tax gross-up payments of $114,333 and $97,519. For 2006, such amount reflects $86,048 of the costs and expenses incurred by us in providing an automobile and driver for Mr. Altman and $31,331 of tax gross-up payments.

(f) Reflects costs and expenses incurred by us in providing an automobile and driver, but see footnote 8 below.

(g) For 2008 and 2007, such amounts respectively reflect, $45,000 and $30,000 of costs and expenses incurred by us for tax and investment services that were provided for Mr. Beutner and a tax gross up payment of $25,039 and $16,693.

(3) These amounts reflect guaranteed minimum bonuses of $500,000, plus the cash portion of Mr. Altman s 2008 and 2007 profit annual bonuses equal to $1,000,000 and $1,616,000, respectively (representing 50% of such annual bonuses). As described above in **Compensation Discussion and Analysis**, the Compensation Committee elected to pay the remaining 50% of his 2008 profit annual bonus and 2007 profit annual bonus in the form of RSUs, based on the fair market value of our shares on the grant date (February 9, 2009 and March 3, 2008, respectively). As noted above in footnote 1, financial accounting expense with respect to the 2009 grant equity grant relating to his 2008 discretionary bonus was not recognized in 2008. Rather, the financial accounting expenses associated with this grant will instead be recognized in future years and reflected in the Stock Awards column of the Summary Compensation Tables of future proxy statements, as appropriate.

(4) Prior to the Reorganization and the IPO, payments for services rendered by our Senior Managing Directors, including all salaries and bonuses, had been accounted for as distributions from members capital rather than as employee compensation and benefits expense. These amounts are included in the All Other Compensation column of this table. Thus the salaries and bonuses disclosed reflect amounts paid following the Reorganization and the IPO. In addition, salary and bonuses are reported in the year in which the compensable service was performed even if we paid the compensation in a subsequent year or if the Named Executive Officer elected to defer a portion of such compensation.

(5) Mr. Walsh commenced employment with us on June 5, 2007 as our Chief Financial Officer.

(6) These amounts reflect the cash portion of Mr. Mestre s 2008 and 2007 annual bonuses. As described above in **Compensation Discussion and Analysis**, the Compensation Committee elected to pay the remainder of his 2008 and 2007 annual bonus ($1,650,000 and $1,110,000, respectively) in RSUs, based on the fair market value of our shares on the grant date (February 9, 2009 and March 3, 2008, respectively). As noted above in footnote 1, financial accounting expense with respect to the 2009 equity grant relating to his 2008 annual bonus was not recognized in 2008. Rather, the financial accounting expense associated with this grant will instead be recognized in future years and reflected in the Stock Award column of the Summary Compensation Tables of future proxy statements, as appropriate.

(7) Represents the expense recognized in accordance with FAS 123R for financial statement reporting purposes relating to vesting of Evercore LP partnership units pursuant to our follow-on offering in May 2007.

(8) The amounts reported for Mr. Aspe were paid in Mexican pesos and have been converted into U.S. dollars at the average exchange rate for 2008 of MXN$ 11.1322 to US$1.00.

Table of Contents

(9) This amount reflects a guaranteed minimum bonus of $500,000, plus the cash portion of Mr. Aspe s 2008 profit annual bonus equal to $550,000 (representing 50% of his profit annual bonus). As described above in **Compensation Discussion and Analysis** , the Compensation Committee elected to pay the remaining 50% of his 2008 profit annual bonus in the form of RSUs, based on the fair market value of our shares on the grant date (February 9, 2009). As noted above in footnote 1, financial accounting expense with respect to this equity grant was not recognized in 2008. Rather, the financial accounting expense associated with this grant will instead be recognized in future years and reflected in the Stock Awards column of the Summary Compensation Tables of future proxy statements, as appropriate.

(10) This amount reflects the cash portion of Mr. Hiltz s 2008 annual bonus. As described above in **Compensation Discussion and Analysis**, the Compensation Committee elected to pay the remainder of his 2008 annual bonus ($150,000) in RSUs, based on the fair market value of our shares on the grant date (February 9, 2009). As noted above in footnote 1, financial accounting expense with respect to this equity grant was not recognized in 2008. Rather, the financial accounting expense associated with this grant will instead be recognized in future years and reflected in the Stock Award column of the Summary Compensation Tables of future proxy statements, as appropriate.

(11) On April 7, 2008, Mr. Beutner announced his retirement from the Board, the Company and affiliated entities effective May 1, 2008. See **Employment Agreements** below for a discussion of the benefits provided to Mr. Beutner in connection with the cessation of his employment.

(12) This amount reflects Mr. Beutner s 2007 guaranteed minimum bonus of $500,000, plus the cash portion of his 2007 profit annual bonus equal to $1,616,000 (representing 50% of his profit annual bonus). As described above in **Compensation Discussion and Analysis**, the Compensation Committee elected to pay the remaining 50% of his 2007 profit annual bonus in the form of RSUs, based on the fair market value of our shares on the grant date (March 3, 2008).

Grants of Plan-Based Awards in 2008

Name	Grant Date	All Other Stock Awards: Number of Shares of Stock or Units (#)(1)	Grant Date Fair Value of Stock Awards ($)(2)
Roger C. Altman	03/03/2008	82,671	1,616,011
Robert B. Walsh	03/03/2008	5,116	100,000
Eduardo Mestre	03/03/2008	56,785	1,110,005
Pedro Aspe	03/03/2008	38,026	743,313
William Hiltz	03/03/2008	84,410	1,650,005
Austin M. Beutner	03/03/2008	82,671(3)	1,616,011

(1) Represents a grant of RSUs. The RSUs will vest in four substantially equal installments on the first four anniversaries of the grant date or upon the earlier occurrence of (a) a change of control, (b) the executive s death, (c) termination of the executive due to disability and (d) the executive s retirement.

(2) The amounts in the column under Grant Date Fair Value of Stock Awards represent the fair value of the awards on the date of grant, as computed in accordance with SFAS 123R. Assumptions used in the calculation of these amounts are included in Note 17 to our audited financial statements included in our Form 10-K for 2008.

(3) Mr. Beutner resigned his employment with us effective May 1, 2008. The vesting of these RSUs was accelerated in connection with his resignation. See **Employment Agreements** below for more information.

Table of Contents

Outstanding Equity Awards at 2008 Fiscal-Year End

	Stock Awards	
Name	**Number of Shares or Units of Stock That Have Not Vested**	**Market Value of Shares or Units of Stock That Have Not Vested(1)**
Roger C. Altman	82,671(2)	$ 1,032,561
Robert B. Walsh	81,452(3)	1,017,335
Eduardo Mestre	524,999(4)	6,557,238
Pedro Aspe	38,026(5)	474,945
William Hiltz	572,327(6)	7,148,364
Austin M. Beutner(7)		

(1) The market value is based upon the closing price of our Class A common stock on December 31, 2008 ($12.49). With regard to the Evercore LP partnership units, because they are under specified circumstances exchangeable for shares of our Class A common stock on a one for one basis, the market value reflected above assumes for this purpose that one partnership unit has a fair market value equal to one share of Class A common stock.

(2) The vesting terms of these RSUs are described in footnote 1 of the table above entitled **Grants of Plan-Based Awards in 2008**.

(3) 76,336 of these RSUs will vest in three equal installments on the second, third and fourth anniversaries of their grant date (June 29, 2007) or upon the earlier occurrence of (a) a change of control, (b) the executive s death, (c) termination of the executive due to disability and (d) the executive s retirement. The remaining 5,116 RSUs will vest as described in footnote 1 of the table above entitled **Grants of Plan-Based Awards in 2008**.

(4) This amount consists of 468,214 unvested Evercore LP partnership units and 56,785 RSUs. The Evercore LP partnership units vest upon the earlier of (a) when Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 50% of the aggregate Evercore LP partnership units owned by them on the date of the partnership agreement, (b) a change of control or (c) two of Messrs. Altman, Beutner and Aspe are not employed by, or do not serve as a director of ours, Evercore LP or any of its subsidiaries within a 10-year period following the IPO. The vesting terms of the RSUs are described in footnote 1 of the table above entitled **Grants of Plan-Based Awards in 2008**.

(5) The vesting terms of these RSUs are described in footnote 1 of the table above entitled **Grants of Plan-Based Awards in 2008**.

(6) This amount consists of 487,917 unvested Evercore LP partnership units and 84,410 RSUs. The Evercore LP partnership units vest upon the earlier of (a) when Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 50% of the aggregate Evercore LP partnership units owned by them on the date of the partnership agreement, (b) a change of control or (c) two of Messrs. Altman, Beutner and Aspe are not employed by, or do not serve as a director of ours, Evercore LP or any of its subsidiaries within a 10-year period following the IPO. The vesting terms of the RSUs are described in footnote 1 of the table above entitled **Grants of Plan-Based Awards in 2008**.

(7) Mr. Beutner retired effective May 1, 2008 and the vesting of his RSUs was accelerated pursuant to his separation agreement. See **Employment Agreements** below for more information.

Table of Contents

Stock Vested in 2008

	Stock Awards	
Name	**Number of Shares Acquired on Vesting**	**Value Realized on Vesting**
Roger C. Altman		$
Robert B. Walsh	25,445(1)	250,633
Eduardo Mestre		
Pedro Aspe		
William Hiltz		
Austin M. Beutner	82,671(2)	1,435,169

(1) Represents shares of restricted Class A common stock that vested on June 29, 2008.

(2) Mr. Beutner resigned his employment with us effective May 1, 2008. This amount represents the RSUs that vested in connection with his resignation. See **Employment Agreements** below for more information.

Pension Benefits and Nonqualified Deferred Compensation

We do not provide pension benefits or nonqualified deferred compensation.

Table of Contents

Potential Payments Upon Termination of Employment or Change In Control

The following table describes the potential incremental payments and benefits to which our Named Executive Officers would be entitled upon termination of employment or a change in control. All calculations in this table are based on an assumed termination date of December 31, 2008 and the completion of a full fiscal year, and all defined terms are as defined in the respective employment agreements of each Named Executive Officer, which are summarized below under **Employment Agreements**. The amounts shown in the table below do not include payments and benefits to the extent they are provided on a non-discriminatory basis to salaried employees generally upon termination of employment, such as continuation of health care benefits through the end of the month of the termination of employment.

Name	Lump Sum Cash Severance Payment	2008 Fiscal Year Bonuses	Continuation of Medical Benefits	Accelerated Vesting of Equity Awards	Other	Total
			(dollars in thousands, except share data)			
Roger C. Altman						
Termination due to death or disability	$	$ 2,500(1)	$	$ 1,033(2)	$	$ 3,533
Termination by us without cause or by the executive for good reason or if we elect not to extend term (*Qualifying Terminations*)	11,804(3)	2,500(1)	44(4)			14,348
Qualifying Termination within 6 months prior to or anytime following a change in control	17,706(5)	2,500(1)	66(6)	1,033(2)	8,347(7)	29,652
Change in control (regardless of whether executive s employment terminates)				1,033(2)		1,033
Robert B. Walsh						
Termination by us without cause or by the executive for good reason		1,000(8)				1,000
Change in control (regardless of whether executive s employment terminates) or the termination of the executive due to his death or disability				1,017(9)		1,017
Eduardo Mestre						
Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 50% of their aggregate equity interest at the time of the IPO; two of Messrs. Altman, Beutner and Aspe are not employed by us or do not serve as our director within a 10-year period following the IPO				5,848(10)		5,848
Change in control (regardless of whether executive s employment terminates) or the termination of the executive due to his death or disability				6,557(11)		6,557
Pedro Aspe						
Termination due to death or disability		1,600(12)		475(13)		2,075
Termination by us without cause or by the executive for good reason or if we elect not to extend term (*Qualifying Terminations*)	3,682(14)	1,600(12)	26(4)			5,308
Qualifying Termination within 6 months prior to or anytime following a change in control	5,524(15)	1,600(12)	39(6)	475(13)	2,603(7)	10,241
Change in control (regardless of whether executive s employment terminates)				475(13)		475
William Hiltz						
Messrs. Altman, Beutner and Aspe, and trusts benefiting their families and permitted transferees, collectively, cease to beneficially own at least 50% of their aggregate equity interest at the time of the IPO; or two of Messrs. Altman, Beutner and Aspe are not employed by us or do not serve as our director within a 10-year period following the IPO				6,094(16)		6,094
Change in control (regardless of whether executive s employment terminates) or the termination of the executive due to his death or disability				7,148(17)		7,148

(1)

This amount consists of Mr. Altman s guaranteed annual bonus of $500 and profit annual bonus of $2,000 for the 2008 fiscal year; Mr. Altman would otherwise be required to remain employed through the bonus payment date in order to receive these amounts. Note that up to 50% of the profit annual bonus payable to Mr. Altman could have been paid in the form of restricted securities, subject to time-based vesting over a period of up to four years, but we have assumed for illustrative purpose only that when paid in connection with a severance event, Mr. Altman would have been paid the entire profit annual bonus in cash with no grants of equity securities subject to vesting.

Table of Contents

(2) This amount represents the value of 82,671 otherwise unvested RSUs based on the closing price of our Class A common stock on December 31, 2008 ($12.49).

(3) This amount is equal to two times *the greater of*: (a) the sum of (i) the executive s base salary, (ii) executive s guaranteed annual bonus and (iii) the executive s average profit annual bonus for the two most recently completed fiscal years; or (b) the average of the aggregate amount of cash compensation payable to our three most highly paid executive officers in the fiscal year preceding the year of termination.

(4) This amount represents the estimated present value of the employer-paid portion of premium payments for 24 months of medical, dental and vision insurance coverage.

(5) This amount is equal to three times *the greater of*: (a) the sum of (i) the executive s base salary, (ii) executive s guaranteed annual bonus and (iii) the executive s average profit annual bonus for the two most recently completed fiscal years; or (b) the average of the aggregate amount of cash compensation payable to our three most highly paid executive officers in the fiscal year preceding the year of termination.

(6) This amount represents the estimated present value of the employer-paid portion of premium payments for 36 months of medical, dental and vision insurance coverage.

(7) If payments or benefits provided to the executive in connection with a change in control result in an excess parachute payment excise tax being imposed on the executive, he is entitled to a gross-up payment equal to the amount of the excise tax, as well as the excise tax and income tax on the gross-up payment. This amount represents the estimated gross-up payment that would be made to the executive in the event his employment is terminated by us without cause or by the executive for good reason on December 31, 2008, within six months prior to or anytime following a change in control.

(8) If we had terminated Mr. Walsh s employment without cause or Mr. Walsh had terminated his employment for good reason on or before December 31, 2008, Mr. Walsh would have been entitled his 2008 guaranteed minimum annual bonus. He would have otherwise been required to remain employed through the bonus payment date in order to receive this bonus. This amount represents Mr. Walsh s guaranteed minimum annual bonuses for the 2008 fiscal year.

(9) This amount represents the value of 81,452 otherwise unvested RSUs based on the closing price of our Class A common stock on December 31, 2008 ($12.49).

(10) This amount represents the value of 468,214 otherwise unvested Evercore LP partnership units, based on the closing price of our Class A common stock on December 31, 2008 ($12.49). Because Evercore LP partnership units are, under specified circumstances, exchangeable for shares of our Class A common stock on a one-for-one basis, the fair market value of the Evercore LP partnership units is assumed for this purpose to be equal to the fair market value of our Class A common stock.

(11) Of this amount, $5,848 represents the value of 468,214 otherwise unvested Evercore LP partnership units and $709 represents the value of 56,785 otherwise unvested RSUs, each based on the closing price of our Class A common stock on December 31, 2008 ($12.49). Because Evercore LP partnership units are, under specified circumstances, exchangeable for shares of our Class A common stock on a one-for-one basis, the fair market value of the Evercore LP partnership units is assumed for this purpose to be equal to the fair market value of our Class A common stock.

(12) This amount consists of Mr. Aspe s guaranteed annual bonus of $500 and profit annual bonus of $1,100 for the 2008 fiscal year; Mr. Aspe would otherwise be required to remain employed through the bonus payment date in order to receive these amounts. Note that up to 50% of the profit annual bonus payable to Mr. Aspe could have been paid in the form of restricted securities, subject to time-based vesting over a period of up to four years, but we have assumed for illustrative purpose only that when paid in connection with a severance event, Mr. Aspe would have been paid the entire profit annual bonus in cash with no grants of equity securities subject to vesting.

(13) This amount represents the value of 38,026 otherwise unvested RSUs based on the closing price of our Class A common stock on December 31, 2008 ($12.49).

(14) This amount is equal to two times *the greater of*: (a) the sum of (i) the executive s base salary, (ii) executive s guaranteed annual bonus and (iii) the executive s average profit annual bonus for the two most recently completed fiscal years; or (b) the average of the aggregate amount of cash compensation payable to Messrs. Altman and Beutner in the fiscal year preceding the year of termination multiplied by a fraction, the numerator of which is equal to the number of Evercore LP partnership units held by the executive at the time of the IPO and the denominator of which is equal to 50% of the aggregate number of shares of Class A common stock and Evercore LP partnership units held by both Messrs. Altman and Beutner at the time of the IPO.

(15) This amount is equal to three times *the greater of*: (a) the sum of (i) the executive s base salary, (ii) executive s guaranteed annual bonus and (iii) the executive s average profit annual bonus for the two most recently completed fiscal years; or (b) the average of the aggregate amount of cash compensation payable to Messrs. Altman and Beutner in the fiscal year preceding the year of termination multiplied by a fraction, the numerator of which is equal to the number of Evercore LP partnership units held by the executive at the time of the IPO and the denominator of which is equal to 50% of the aggregate number of shares of Class A common stock and Evercore LP partnership units held by both Messrs. Altman and Beutner at the time of the IPO.

(16) This amount represents the value of 487,917 otherwise unvested Evercore LP partnership units, based on the closing price of our Class A common stock on December 31, 2008 ($12.49). Because Evercore LP partnership units are, under specified circumstances, exchangeable for shares of our Class A common stock on a one-for-one basis, the fair market value of the Evercore LP partnership units is assumed for this purpose to be equal to the fair market value of our Class A common stock.

(17) Of this amount, $6,094 represents the value of 487,917 otherwise unvested Evercore LP partnership units and $1,054 represents the value of 84,410 otherwise unvested RSUs, each based on the closing price of our Class A common stock on December 31, 2008 ($12.49). Because Evercore LP partnership units are, under specified circumstances, exchangeable for shares of our Class A common stock on a one-for-one basis, the fair market value of the Evercore LP partnership units is assumed for this purpose to be equal to the fair market value of our Class A common stock.

Table of Contents

Employment Agreements

Employment Agreements with Messrs. Altman and Aspe

We have entered into substantially similar employment agreements with each of Messrs. Altman and Aspe (each, for purposes of the summary of these two agreements only, an *Executive*). Pursuant to the terms of Mr. Altman s employment agreement, Mr. Altman serves as a Chief Executive Officer, Co-Chairman of the Board and director, for a term of three years, subject to automatic, successive one-year extensions unless either party gives the other 60 days prior notice that the term will not be extended. Pursuant to the terms of Mr. Aspe s employment agreement, Mr. Aspe serves as a Senior Managing Director of Evercore LP, Co-Chairman of the Board and director, and chief executive officer of our principal Mexican operating subsidiary, for a term of three years, subject to automatic, successive one-year extensions unless either party gives the other 60 days prior notice that the term will not be extended.

Mr. Altman s and Mr. Aspe s employment agreements provided for an annual base salary of $500,000 and a guaranteed annual bonus payment of $500,000 on a fixed date following the end of each fiscal year (the guaranteed annual bonus). For 2008 and future years, both Mr. Altman and Mr. Aspe may also be entitled to a profit annual bonus as determined in the discretion of the Compensation Committee. Up to 50% of the profit annual bonus payable to the Executives may be payable in the form of our restricted securities, with such restricted securities vesting in four equal annual installments (or at such faster rate as may be applicable to restricted securities issued to our other Senior Managing Directors, which would accelerate upon death, disability, change in control or retirement eligibility). In March 2009, Messrs. Altman and Aspe agreed to amend their employment agreements to eliminate their guaranteed minimum bonuses for 2009 and future years.

Pursuant to each employment agreement, if the Executive s employment terminates prior to the expiration of the term due to his death or disability, the Executive would be entitled to receive (1) any base salary earned but unpaid through the date of termination; (2) reimbursement for any unreimbursed business expenses properly incurred by the Executive; (3) such employee benefits, if any, as to which the Executive may be entitled under our employee benefit plans (the payments and benefits described in (1) through (3) are referred to as the accrued rights); (4) lump sum payments equal to the Executive s earned but unpaid guaranteed annual bonus and profit annual bonus, if any, payable in respect of the fiscal year immediately preceding the fiscal year in which the termination occurs, to be paid when such bonuses would have otherwise been payable had Executive s employment not terminated; and (5) pro-rated portions of the guaranteed annual bonus and profit annual bonus, calculated based on the number of months (and any fraction thereof) the Executive is employed during the fiscal year in which a termination of employment occurs and in respect of which such bonuses are payable, relative to 12 months.

If an Executive s employment is terminated prior to the expiration of the term (or such extension thereof) by us without cause (as defined below) or by the Executive for good reason (as defined below) or if we elect not to extend the term (each a qualifying termination), the Executive would be entitled, subject to his compliance with certain restrictive covenants, to (A) a lump sum payment equal to two times (three times in the case of a qualifying termination that occurs on or following our change in control (as defined in the employment agreement)) the greater of (x) the sum of (1) his annual base salary, (2) his guaranteed annual bonus and (3) his average profit annual bonus for the three most recently completed fiscal years and (y) in the case of Mr. Altman, the average of the aggregate amount of cash compensation payable to our three most highly paid executives in the most recently completed fiscal year, or, in the case of Mr. Aspe, a percentage of the average annual cash compensation payable to Messrs. Altman and Beutner in the most recently completed fiscal year, with such percentage equal to the total number of Evercore L.P. partnership units held by Mr. Aspe at the time of the IPO divided by 50% of the total number of our common stock and Evercore L.P. partnership units held by Messrs. Altman and Beutner at the time of the IPO; (B) any accrued rights (as defined above); (C) lump sum payments equal to the Executive s earned but unpaid guaranteed annual bonus and profit annual bonus, if any, payable in respect of the fiscal year immediately preceding the fiscal year in which the termination occurs, to be paid when such bonuses would have otherwise been payable had Executive s employment not terminated; and (D) pro-rated

Table of Contents

portions of the guaranteed annual bonus and profit annual bonus, calculated based on the number of months (and any fraction thereof) the Executive is employed during the fiscal year in which a termination of employment occurs and in respect of which such bonuses are payable, relative to 12 months. The Executive would also be entitled to receive continued coverage for the Executive and his spouse and dependents under our medical plans for two years (three years in the case of a qualifying termination that occurs on or following our change in control), subject to payment by the Executive of the same premiums he would have paid during such period of coverage if he were an active employee. Any termination by us without cause within six months prior to the occurrence of our change in control would be deemed to be a termination of employment on the date of such change in control. The severance benefits payable to Messrs. Altman and Aspe are conditioned on their continued compliance with certain confidentiality, non-solicitation and proprietary information covenants following their termination of employment with us.

For purposes of the employment agreements of Messrs. Altman and Aspe, cause means the occurrence of: (1) the Executive s breach of a material obligation under the governing documents of our entities, (2) the Executive s conviction of, or plea of guilty or nolo contendere in respect of any felony, (3) the Executive s perpetration of a fraud against us, (4) the Executive s willful and continued failure to perform his duties to us or (5) any willful misconduct by the Executive which could reasonably have an adverse effect on his ability to function as our employee or on our business or reputation. For purposes of the employment agreements of Messrs. Altman and Aspe, good reason means: (1) our failure to pay the Executive s base salary, guaranteed annual bonus or profit annual bonus (if such amounts become payable to the Executive), (2) the failure to re-elect the Executive as a member of the Board, (3) any diminution in the Executive s title or authority with us or (4) our failure to provide the Executive with the employee benefits or perquisites provided in the employment agreement.

In the event of a termination of an Executive s employment which is not a qualifying termination or a termination due to the Executive s death or disability (including if the Executive resigns without good reason), the Executive would be entitled to receive any accrued rights (as defined above).

If a dispute arises out of the employment agreement with the Executive, we would pay the Executive s reasonable legal fees and expenses incurred in connection with such dispute if the Executive prevails in substantially all material respects on the issues presented for resolution.

In addition, for each of Messrs. Altman and Aspe, if payments or benefits provided to the Executive under an employment agreement or any other plan or agreement in connection with our change in control result in an excess parachute payment excise tax being imposed on the Executive, he would be entitled to a gross-up payment equal to the amount of the excise tax, as well as the excise tax and income tax on the gross-up payment.

Separation Agreement with Mr. Beutner

Effective May 1, 2008, we entered into a separation agreement with Mr. Beutner pursuant to which Mr. Beutner s employment as a director, officer, employee, managing member and member of any of our management or other committees and any of our affiliates) terminated. Pursuant to such separation agreement, Mr. Beutner and his spouse (and any eligible dependents) are entitled to participate in specified welfare and insurance benefit plans offered to our active employees after his separation from the Company. In addition, the vesting of the 82,671 RSUs granted to Mr. Beutner on March 3, 2008 as part of his profit annual bonus was accelerated in connection with his resignation; however, the delivery of underlying shares did not accelerate.

Letter Agreement with Mr. Walsh

On June 5, 2007, we entered into a letter agreement with Mr. Walsh pursuant to which Mr. Walsh is to be employed as our Chief Financial Officer. Pursuant to such letter agreement, Mr. Walsh will receive an annual base salary of $500,000 and an annual guaranteed incentive bonus of $1,000,000 in each of fiscal years 2007 and 2008. Mr. Walsh s salary and bonus are subject to annual review by our Chief Executive Officer and will be payable after 2008 in a manner that is commensurate with his position.

Table of Contents

Mr. Walsh s employment with us is at-will and may be terminated by either party at any time, provided, however that Mr. Walsh is obligated to give at least 30 days advance written notice if he intends to terminate the agreement. In the event that Mr. Walsh s employment is terminated by us without cause (as defined below) or by him for good reason (as defined below) prior to the date on which he receives his annual incentive bonus for the 2008 fiscal year, Mr. Walsh will be entitled to receive (1) any unpaid portion of his 2007 and 2008 base salary, and (2) any unpaid portion of his 2007 and 2008 annual guaranteed incentive bonuses. Upon termination of the agreement for any reason after 2008, Mr. Walsh is entitled to any unpaid base salary through the date of his termination.

For purposes of the letter agreement with Mr. Walsh, cause means: (1) Mr. Walsh s breach of any restrictive covenants or other post-employment covenants applicable to him or any of our governing documents, (2) Mr. Walsh s conviction of, or plea of guilty or nolo contendere in respect of any felony, (3) Mr. Walsh s perpetration of a fraud against us, (4) Mr. Walsh s willful and continued failure to perform his duties to us, or (5) any willful misconduct by Mr. Walsh which could reasonably have an adverse effect on his ability to function as our employee or on our business or reputation. For purposes of the letter agreement with Mr. Walsh, good reason means: (1) our failure to pay Mr. Walsh s base salary, benefits or annual bonus (if such amounts become payable to him), (2) a relocation of Mr. Walsh s principal place of employment with us outside of New York, New York, or (3) the failure of a successor to all or substantially all of our assets to assume our obligations under Mr. Walsh s letter agreement.

We have not entered into employment agreements with either Mr. Hiltz or Mr. Mestre.

Table of Contents

COMPENSATION COMMITTEE REPORT

We have reviewed and discussed the Compensation Discussion and Analysis with management. Based on our review and discussion with management, we recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement on Schedule 14A issued in connection with our 2009 annual meeting of stockholders and in our Annual Report on Form 10-K for 2008.

Compensation Committee

Anthony N. Pritzker, Chairman

Curt Hessler

Francois de Saint Phalle

The information in this report is not soliciting material, is not deemed filed with the SEC and is not to be incorporated by reference in any of our filings under the Securities Act of 1933, as amended, or the Exchange Act whether made before or after the date hereof and irrespective of any general incorporation language in any such filings.

Table of Contents

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth, as of April 9, 2009, information regarding the beneficial ownership of Evercore LP partnership units and our Class A common stock and Class B common stock held by (1) each person, or group of affiliated persons, known by us to own beneficially more than 5% of our outstanding shares of Class A common stock or Class B common stock, (2) each of our directors, (3) each of our Named Executive Officers and (4) all of our current directors and executive officers as a group. Beneficial ownership is determined in accordance with the rules of the SEC. Shares of our Class A common stock that will vest and be delivered within 60 days of April 9, 2009 are deemed outstanding for calculating the percentage of outstanding shares of the person holding such shares, but are not deemed outstanding for calculating the percentage of any other person. Percentage of beneficial ownership is based upon (1) 12,253,497 shares of our Class A common stock issued and outstanding, (2) 19,705,134 Evercore LP partnership units outstanding excluding partnership units held by Evercore Partners Inc., and (3) 52 shares of our Class B common stock issued and outstanding as of April 9, 2009. To our knowledge, except as set forth in the footnotes to this table and subject to applicable community property laws, each person named in the table has sole voting and investment power with respect to the shares set forth opposite such person s name. Except as otherwise indicated, the address of each of the persons in this table is as follows: c/o Evercore Partners, 55 East 52nd Street, 38th floor, New York, New York 10055.

	Shares of Class A Common Stock Beneficially Owned		Evercore LP Partnership Units Beneficially Owned		Shares of Class B Common Stock Beneficially Owned	
Name of Beneficial Owner	Number of Shares of Class A Common Stock	Percentage of Class A Common Stock	Number of Evercore LP Units	Percentage of Evercore LP Units	Number of Shares of Class B Common Stock Beneficially Owned	Percentage of Combined Voting Power of Evercore Partners Inc.
Principal Stockholders						
5% Stockholders						
DePrince, Race & Zollo, Inc.(1)	935,580	7.6				2.9
FMR, LLC(2)	928,010	7.6				2.9
Royce & Associates, LLC(3)	1,146,050	9.4				3.6
TimesSquare Capital Management, LLC(4)	974,100	7.9				3.0
Wellington Management Company(5)	936,989	7.6				2.9
Wells Fargo & Company(6)	993,458	8.1				3.1
Directors						
Roger Altman(7)			2,898,213	14.7	4	9.1
Pedro Aspe(8)	6,845	*	146,614	*	2	*
Francois de Saint Phalle	52,381	*				*
Gail Block Harris	27,381	*				*
Curt Hessler	7,381	*				*
Anthony N. Pritzker(9)	172,381	1.4				*
Named Executive Officers who are not Directors						
Eduardo Mestre(10)			1,104,645	5.6	2	3.5
Robert Walsh(11)	17,562	*				
William Hiltz(12)	12,532	*	1,202,123	6.1	2	3.8
Austin Beutner(13)	13,098	*	3,032,005	15.4	3	9.5
Directors and Executive Officers as a Group (eleven persons)	1,815,660	14.8	5,508,969	28.0	12	22.9

* Less than 1%.

Table of Contents

( ) The partnership units of Evercore LP are exchangeable for shares of our Class A common stock on a one-for-one basis, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. Beneficial ownership of partnership units of Evercore LP reflected in this table has not also been reflected as beneficial ownership of the shares of our Class A common stock for which such units may be exchanged.

( ) Each holder of Class B common stock, as such, is entitled, without regard to the number of shares of Class B common stock held by such holder, to one vote for each Evercore LP partnership unit held by such holder.

(1) Based on information set forth in Schedule 13G, dated February 6, 2009, filed with the SEC by DePrince, Race & Zollo, Inc. The address of DePrince, Race & Zollo, Inc. is 250 Park Avenue South, Suite 250, Winter Park, Florida 32789.

(2) Based on information set forth in Schedule 13G, dated February 17, 2009 (the *FMR 13G*), filed with the SEC by FMR LLC and Edward C. Johnson 3d (the *FMR Reporting Persons*). The address of the FMR Reporting Persons is 82 Devonshire Street, Boston, Massachusetts 02109. The FMR 13G discloses that Fidelity Management & Research Company (*Fidelity*), a wholly-owned subsidiary of FMR LLC and an investment adviser, is the beneficial owner of 928,010 shares of our Class A common stock as a result of acting as investment adviser to various investment companies. Edward C. Johnson 3d and FMR LLC, through its control of Fidelity, and the funds each has sole power to dispose of the 928,010 shares owned by the funds. Neither FMR LLC nor Edward C. Johnson 3d, Chairman of FMR LLC, has the sole power to vote or direct the voting of the shares owned directly by the Fidelity funds, which power resides with the funds Boards of Trustees.

(3) Based on information set forth in Amendment No. 2 to Schedule 13G, dated January 23, 2009, filed with the SEC by Royce & Associates, LLC (*Royce*), a registered investment advisor. Royce s address is 1414 Avenue of the Americas, New York, NY 10019.

(4) Based on information set forth in Schedule 13G, dated February 11, 2009, filed with the SEC by TimesSquare Capital Management, LLC (*TimesSquare*), a registered investment advisor. TimeSquare s address is 1177 Avenue of the Americas, 39th Floor, New York, NY 10036.

(5) Based on information set forth in Amendment No. 2 to Schedule 13G, dated February 17, 2009, filed with the SEC by Wellington Management Company, LLP (*Wellington Management*). Wellington Management, in its capacity as investment adviser, may be deemed to beneficially own 936,989 shares of our Class A common stock, which are held of record by clients of Wellington Management. Wellington Management disclosed that it has shared voting power with respect to 604,378 shares of our Class A common stock and shared dispositive power with respect to 936,989 shares of our Class A common stock. Wellington Management s address is 75 State Street, Boston, Massachusetts 02109.

(6) Based on information set forth in Amendment No. 2 to Schedule 13G filed with the SEC on January 23, 2009 by Wells Fargo & Company (*Wells Fargo*), on behalf of its subsidiaries Wells Capital Management Incorporated, Wells Fargo Funds Management, LLC, Wells Fargo Bank, National Association, Evergreen Investment Management Company, LLC and Wachovia Bank, National Association. Wells Fargo disclosed that it has sole voting power with respect to 710,215 shares of our Class A common stock and sole dispositive power with respect to 993,452 shares of our Class A common stock. Wells Fargo s subsidiary, Wells Capital Management Incorporated, disclosed that it has sole voting power with respect to 329,218 shares of our Class A common stock and sole dispositive power with respect to 983,708 shares of our Class A common stock, which amounts are included as beneficially held by Wells Fargo. The address of each of these beneficial owners is 420 Montgomery Street, San Francisco, CA 94163.

(7) Some of the Evercore LP partnership units and shares of Class B common stock listed as beneficially owned by Mr. Altman are held by trusts benefiting his family. Mr. Altman disclaims beneficial ownership of the Evercore LP partnership units and shares of Class B common stock held by these trusts. Does not include 141,337 unvested RSUs granted to Mr. Altman under the Evercore Partners Inc. 2006 Stock Incentive Plan.

(8) Includes 146,613 Evercore LP partnership units and one share of Class B common stock held by a trust over which Mr. Aspe has voting power that are for the economic benefit of certain directors and employees of Protego. Mr. Aspe disclaims beneficial ownership of the Evercore LP partnership units and share of Class B common stock held by this trust. Does not include 1,382,147 Evercore LP partnership units and one share of Class B common stock held by a trust over which Mr. Aspe does not have voting or investment power, that are for the benefit of Mr. Aspe, members of his family, and certain charitable organizations. Does not include 72,153 unvested RSUs granted to Mr. Aspe under the Evercore Partners Inc. 2006 Stock Incentive Plan.

(9) Includes 170,000 unvested shares of Class A common stock owned by New World Opportunity Partners II, LLC, a Delaware limited liability company (*NWOP II*). Mr. Pritzker may be deemed to control NWOP II by virtue of Mr. Pritzker being the manager of NWOP II. Mr. Pritzker expressly disclaims beneficial ownership of these shares, except to the extent of any pecuniary interest therein.

Table of Contents

(10) Includes 468,214 unvested Evercore LP partnership units that are subject to forfeiture and re-allocation or cancellation as described in **RELATED PERSON TRANSACTIONS AND OTHER INFORMATION Evercore LP Partnership Agreement**. Does not include 173,489 unvested RSUs the Mr. Mestre does not have the power to vote, granted to Mr. Mestre under the Evercore Partners Inc. 2006 Stock Incentive Plan.

(11) Does not include 80,173 unvested RSUs that Mr. Walsh does not have the power to vote, granted to Mr. Walsh under the Evercore Partners Inc. 2006 Stock Incentive Plan.

(12) Does not include 75,208 unvested RSUs that Mr. Hiltz does not have the power to vote, granted to Mr. Hiltz under the Evercore Partners Inc. 2006 Stock Incentive Plan.

(13) Some of the Evercore LP partnership units and shares of Class B common stock listed as beneficially owned by Mr. Beutner are held by trusts benefiting his family. Mr. Beutner disclaims beneficial ownership of the Evercore LP partnership units and shares of Class B common stock held by these trusts. Does not include 60,218 vested RSUs granted to Mr. Beutner under the Evercore Partners Inc. 2006 Stock Incentive Plan. Mr. Beutner s employment with the Company was terminated effective May 1, 2008 and the amounts reflected in the table are based on publicly available data.

In addition, we entered into a series of agreements with Mizuho Corporate Bank, Ltd. (*Mizuho*) and some of its affiliates which provided for, among other matters, the issuance of a warrant to purchase 5,454,545 shares of Class A Common Stock at $22.00 per share, the exercise of which is subject to a number of restrictions. Neither Mizuho nor any of its affiliates may exercise the warrant other than contemporaneously with or immediately prior to a transfer of all shares of Class A Common Stock issued pursuant to such exercise and on the condition that Mizuho or its affiliates, as applicable, has entered into a binding agreement to effectuate such transfer to an unaffiliated person and completes such transfer. Mizuho also agreed to not transfer the warrant or shares of Class A Common Stock underlying the warrant until either (a) after August 16, 2012 or (b) if the strategic alliance agreement between Mizuho and Evercore is terminated, the later of the third anniversary of the issuance of the warrant or one year following such termination.

Table of Contents

REPORT OF THE AUDIT COMMITTEE

The duties and responsibilities of the Audit Committee are set forth in our Audit Committee Charter which can be found on our website, *www.evercore.com*, under the Investor Relations link. The Audit Committee has:

- selected the independent registered public accounting firm to audit our books and records;
- reviewed and discussed our audited financial statements for 2008 with management and with Deloitte & Touche, our independent registered public accounting firm, and has held, as appropriate, executive sessions with Deloitte & Touche, in each case without the presence of management;
- discussed with our independent registered public accounting firm the matters required to be discussed by Statement on Auditing Standards No. 61, as amended (AICPA Professional Standards, Vol. 1, AU Section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, including the quality of our accounting principles, the reasonableness of management s significant judgments and the clarity of disclosures in the financial statements; and
- received from Deloitte & Touche the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the audit committee concerning independence and has discussed with Deloitte & Touche its independence.

In performing all of these functions, the Audit Committee acts in an oversight capacity. The Audit Committee reviews our quarterly and annual reports on Form 10-Q and Form 10-K prior to filing with the SEC. In its oversight role, the Audit Committee relies on the work and assurances of:

- our management, which has the primary responsibility for establishing and maintaining adequate internal control over financial reporting and for preparing the financial statements, and other reports; and
- the independent registered public accounting firm, which is engaged to audit and report on our and our subsidiaries consolidated financial statements, management s assessment of the effectiveness of our internal control over financial reporting, and the effectiveness of our internal control over financial reporting.

Based on these reviews and discussions, and the reports of the independent registered public accounting firm, the Audit Committee recommended to the Board, and the Board approved, that the audited financial statements be included in our Annual Report on Form 10-K for 2008 for filing with the SEC.

Audit Committee:

Curt Hessler, Chairman

Gail Block Harris

Francois de Saint Phalle

The information in this report is not soliciting material, is not deemed filed with the SEC and is not to be incorporated by reference in any of our filings under the Securities Act of 1933, as amended, or the Exchange Act whether made before or after the date hereof and irrespective of any general incorporation language in any such filings.

Table of Contents

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche served as our independent registered public accounting firm for 2008. Our Audit Committee has selected Deloitte & Touche as our independent registered public accounting firm to perform the audit of our consolidated financial statements for 2009, as well as an audit of our internal control over financial reporting for 2009. Representatives of the firm of Deloitte & Touche are expected to be present at our annual meeting of stockholders and will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

The appointment of Deloitte & Touche as our independent registered public accounting firm will be submitted to our stockholders for ratification at the annual meeting. Our board of directors recommends that the stockholders ratify the selection of Deloitte & Touche as our independent registered public accounting firm. The submission of the appointment of Deloitte & Touche is required neither by law nor by our bylaws. Our Board is nevertheless submitting it to our stockholders to ascertain their views. If our stockholders do not ratify the appointment, the selection of another independent registered public accounting firm will be considered by our Board.

Audit Fees

The following table sets forth approximate aggregate fees billed to us for the years ended December 31, 2008 and 2007 by Deloitte & Touche:

	2008	2007
Audit Fees	$ 1,387,354	$ 3,651,817
Audit-Related Fees	69,939	1,212,418
Tax Fees	74,440	725,000
All Other Fees		513,274
Total	$ 1,531,733	$ 6,102,509

Audit fees include fees for the audit of management s assessment of the effectiveness of internal control over financial reporting as required by Section 404 of the Sarbanes Oxley Act, professional services rendered for the audit of our consolidated financial statements, consents, income tax provision procedures and assistance with review of documents filed with the SEC.

Audit Related fees include fees for assurance and related services related to due diligence involving mergers and acquisitions, accounting consultations in connection with acquisitions, attest services that are not required by statute or regulation and consultations concerning financial accounting and reporting standards.

Tax fees include fees for services related to tax compliance, tax planning and tax advice.

All Other fees for 2007 consist primarily of fees related to accounting advice relating to the acquisition of our Mexican subsidiary.

Pre-Approval Policies and Procedures

Our Audit Committee does not permit the engagement of our auditors without pre-approval by the Audit Committee. The engagement of Deloitte & Touche for non-audit accounting and tax services is limited to circumstances where these services are considered integral to the audit services that Deloitte & Touche provides or where there is another compelling rationale for using Deloitte & Touche. All audit, audit-related and permitted non-audit services for which Deloitte & Touche was engaged for the years ended December 31, 2007 and 2008 were pre-approved by the Audit Committee in compliance with applicable SEC requirements.

Table of Contents

STOCKHOLDER PROPOSALS FOR 2010 ANNUAL MEETING

In order for a stockholder proposal to be included in our proxy statement to be issued in connection with our 2010 annual meeting, that proposal must be received by our Corporate Secretary no later than December 25, 2009 (which is 120 calendar days before the anniversary of the date this Proxy Statement was first mailed to stockholders). If that proposal is in compliance with all of the requirements of Rule 14a-8 under the Exchange Act, it will be included in the proxy statement and set forth on the proxy card issued for that annual meeting.

In addition to including their proposal in our proxy materials, stockholders may wish to submit proposals at the 2010 annual meeting, but in order for such proposals to be deemed timely, such proposals must be received by our Corporate Secretary at our principal executive offices (A) no earlier than February 3, 2010 and no later than March 5, 2010 or (B) in the event that our 2009 annual meeting of stockholders is held prior to May 14, 2010 or after August 12, 2010, notice by the stockholder must be so received not earlier than 120th day prior to the annual meeting and not later than the close of business on the later of the 90th day prior to the annual meeting or the 10th day following the day on which public announcement of the date of the annual meeting is first made.

HOUSEHOLDING OF ANNUAL MEETING MATERIALS

Some banks, brokers and other nominee record holders may be participating in the practice of *householding* proxy statements and annual reports. This means that only one copy of our proxy statement and annual report to stockholders may have been sent to multiple stockholders in your household. We will promptly deliver a separate copy of either document to you if you contact our Corporate Secretary at the following address or telephone number: 55 East 52nd Street, 38th floor, New York, New York 10055, (212) 857-3100. If you want to receive separate copies of the proxy statement or the annual report to stockholders in the future, or if you are receiving multiple copies and would like to receive only one copy per household, you should contact your bank, broker or other nominee record holder, or you may contact us at the above address or telephone number.

OTHER MATTERS

Our Board does not know of any other matters that are to be presented for action at the annual meeting. Should any other matter come before the annual meeting, however, the persons named in the enclosed proxy will have discretionary authority to vote all proxies with respect to such matters in accordance with their judgment.

BY ORDER OF THE BOARD OF DIRECTORS

Adam B. Frankel

Secretary

Dated: April 24, 2009

Table of Contents

ANNEX I

EVERCORE PARTNERS INC. (the Company)

CATEGORICAL INDEPENDENCE STANDARDS

3. Categorical Standards for Director Independence.

3.1 The Board determines each director s independence on an annual basis based on applicable regulatory and stock exchange requirements and these standards. The Board s determination, and the basis for such determination, shall be disclosed in its proxy statement for each annual meeting of stockholders.

3.2 For purposes of these standards:

3.2.1 Executive Officer means an officer within the meaning of Rule 16a-1(f) under the Securities Exchange Act of 1934; and

3.2.2 Immediate Family means a director s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law and anyone (other than domestic employees) who shares the director s home, but excluding any person who is no longer an immediate family member as a result of legal separation or divorce, or death or incapacitation.

3.3 An independent director shall be defined to mean a director who has none of the relationships with the Company set forth in section 3.4.1 below, and otherwise has no direct or indirect material relationship with the Company (either directly or as a stockholder, principal or officer of a company that has a relationship with the Company) that would interfere with the exercise of independent judgment by such director.

3.4 The Board, in its business judgment, will determine, based on all relevant facts and circumstances and in a manner consistent with the standards set forth below, whether a director has a relationship with the Company or to its management that would interfere with such director s exercise of his or her independent judgment. The following standards shall be followed by the Board in determining director independence:

3.4.1 Under any circumstances, a director is not independent if:

3.4.1.1. the director is, or has been within the preceding three years, employed by the Company;

3.4.1.2. an Immediate Family member of the director was employed as an Executive Officer of the Company within the preceding three years;

3.4.1.3. the director, or an Immediate Family member of that director, received within the preceding three years more than $100,000 in any twelve-mouth period in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);

3.4.1.4. the director or an Immediate Family member of that director is a current partner of a firm that is the Company s internal or external auditor; the director is a current employee of such a firm; the director has an Immediate Family member who is a current employee of such a firm and who participates in the firm s audit, assurance or tax compliance (but not tax planning) practice; or the director or an Immediate Family member of that director was within the last three years (but is no longer) a partner or employee of such a firm and personally worked on the Company s audit within that time;

3.4.1.5. the director or an Immediate Family member is, or has been within the preceding three years, employed as an Executive Officer of another company where any of the Company s present Executive Officers at the same time serves or served on such other company s compensation committee; or

Table of Contents

3.4.1.6. the director is a current employee, or an Immediate Family member is a current Executive Officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the preceding three fiscal years, exceeds the greater of $1,000,000 or two percent (2%) of the consolidated gross revenues of the other company.

3.4.2 The following commercial or charitable relationships will not be considered to be material relationships that would impair a director s independence:

3.4.2.1. if the director or an Immediate Family member is an Executive Officer or director of another company in which the Company owns an equity interest, and the amount of the equity interest held by the Company is less than ten percent (10%) of the outstanding voting securities of the company at which the director or an Immediate Family member serves as an Executive Officer or director;

3.4.2.2. if the director or an Immediate Family member of that director serves as an Executive Officer, director or trustee of a charitable organization, and the Company s annual charitable contributions to that organization (excluding contributions by the Company under any established matching gift program) are less than the greater of $1,000,000 or two percent (2%) of that organization s consolidated gross revenues in its most recent fiscal year; and

3.4.2.3. if the director is a current employee, or an Immediate Family member is a current Executive Officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the preceding three fiscal years, did not exceed the greater of $1,000,000 or two percent (2%) of the consolidated gross revenues of the other company.

3.4.3 For relationships not covered by the standards contained in section 3.4.2 above, the determination of whether or not the relationship is material, and therefore whether the director is independent, shall be made by the Board.

3.5 The Board may determine that a director who has a relationship that exceeds the limits described in section 3.4.2 above is nonetheless independent, so long as such relationship is not otherwise described in section 3.4.1 above. The basis for any such determination will be explained in the Company s next proxy statement.

Table of Contents

Table of Contents