

WALL ST
Comps

3rd Annual Investment Banking Compensation Survey

2008

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DISCLAIMER

WallStreetComps.com was created to keep investment bankers informed about the compensation trends in the industry.

Please be advised that the data gathered in this report were submitted by investment bankers on a voluntary basis and without consultation of their respective employers mentioned herein. Although the results are screened for obvious mistakes or typos, WallStreetComps.com cannot guarantee the validity of the information presented. However, due to the nature of this report and the way data were entered, we are confident the information in this report is valuable and accurate.

The information is being provided freely and none of the banks or anyone else connected with WallStreetComps.com in any way whatsoever can be responsible for inaccurate information.

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If you have any comments, questions or suggestions on how we can improve this survey for next year, please email us at Webmaster@WallStreetComps.com

FAQs

What is WallStreetComps.com?

WallStreetComps.com was created by a group of former investment bankers to keep peers informed about the compensation trends in the industry. The resulting compensation report is free and is a way to share information with peers.

How is data gathered?

The data gathered in this report were submitted by investment bankers on a voluntary basis. Individual submissions are anonymous and kept strictly confidential. No personal data is required and the data is used on an aggregated basis only.

How reliable are the data?

Although the results are screened for obvious mistakes or typos, WallStreetComps.com cannot guarantee the validity of the information presented. However, due to the nature of this report and the way data were entered, we are confident the information in this report is valuable and accurate.

Which currency do you use?

All amounts are in U.S. dollars. We have asked each participant to convert his/her bonus (if it were not received in USD) by using the following exchange rates:

€1 = \$1.30

£1 = \$1.50

These were the approximate exchange rates on December 1, 2008.

What is Associate 0?

When an MBA student is hired as an Associate following her graduation, she will generally be an Associate for 17 months (from August of graduation year until December of the following year). We define Associate 0 as the first 5 months of Associate 1, at the end of which a Stub bonus is paid.

Why can't I see the name of my firm even though I participated in the survey?

If you were the only participant in your firm, we have decided not to disclose the name of that firm to protect your privacy.

INFORMATION ON PARTICIPANTS

We have received a total of 282 responses. The distribution of responses is as follows:

Distribution by Employer

Title	Large U.S. Banks	Large European Banks	Boutiques	Other	Total
Associate 0	36%	23%	9%	32%	100%
Associate 1	43%	14%	14%	29%	100%
Associate 2	40%	29%	14%	17%	100%
Associate 3	75%	0%	17%	8%	100%
Vice President 1	56%	11%	11%	22%	100%
Vice President 2	29%	43%	0%	29%	100%
Vice President 3	38%	25%	0%	38%	100%
Senior Vice President	70%	10%	10%	10%	100%
Managing Director	67%	0%	0%	33%	100%
Total Population	130	54	32	66	282

Distribution by Group

Title	M&A	Industry Coverage	Fin. Sponsors / Lev. Fin.	Capital Market	Other Group	Total
Associate 0	27%	45%	9%	14%	5%	100%
Associate 1	23%	54%	6%	14%	3%	100%
Associate 2	17%	60%	3%	11%	9%	100%
Associate 3	42%	58%	0%	0%	0%	100%
Vice President 1	44%	44%	11%	0%	0%	100%
Vice President 2	14%	86%	0%	0%	0%	100%
Vice President 3	25%	63%	0%	13%	0%	100%
Senior Vice President	10%	50%	10%	20%	10%	100%
Managing Director	0%	33%	0%	33%	33%	100%
Total Population	66	156	14	32	14	282

REPRESENTED BANKS

Bank	Category
ABN Amro	Large European Bank
Bank of America / Merrill Lynch	Large U.S. Bank
Barclays / Lehman Brothers	Large U.S. Bank
CIBC	Other
Citigroup	Large U.S. Bank
Credit Suisse	Large European Bank
Deloitte	Other
Deutsche Bank	Large European Bank
Evercore Partners	Boutique
Goldman Sachs	Large U.S. Bank
Greenhill	Boutique
Houlihan Lokey	Boutique
HSBC Bank	Large European Bank
Jefferies	Boutique
JPMorgan / Bear Stearns	Large U.S. Bank
Lazard	Boutique
Moelis	Boutique
Morgan Stanley	Large U.S. Bank
RBC Capital Markets	Other
TD Securities	Other
UBS	Large European Bank
Wachovia	Other

OVERVIEW OF BONUSES 2007 / 2008

Bonus by Year

	2007	2008
Minimum	\$20,000	\$0
Maximum	965,000	900,000
Average	344,683	133,227
1st Quartile	184,775	25,000
2nd Quartile (Median)	282,500	89,500
3rd Quartile	500,000	165,000
4th Quartile	965,000	900,000
Number of Responses	228	282
Number of Banks	23	22

2008 Bonus by Title and Quartile

	2008				Base Median
	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile	
Associate 1	\$13,000	\$48,000	\$96,250	\$160,000	\$95,000
Associate 2	82,500	115,000	162,500	350,000	100,000
Associate 3	45,500	90,000	187,500	245,000	100,000
Vice President 1	80,000	285,000	390,000	430,000	110,000
Vice President 2	93,000	110,000	275,000	400,000	120,000
Vice President 3	210,000	342,500	450,000	500,000	140,000
Senior Vice President	250,000	427,500	460,000	710,000	145,000
Managing Director	0	0	450,000	900,000	185,000

Bonus by Year and Title

	2007			2008			Growth*
	Min	Max	Average	Min	Max	Average	07 / 08
Associate 0	\$20,000	\$56,000	\$45,094	\$5,000	\$65,000	\$24,955	(44.7%)
Associate 1	125,000	255,000	195,322	0	160,000	55,820	(71.4%)
Associate 2	170,000	350,000	292,053	0	350,000	126,521	(56.7%)
Associate 3	70,000	495,000	316,923	6,000	245,000	110,083	(65.3%)
Vice President 1	230,000	600,000	444,827	50,000	430,000	246,444	(44.6%)
Vice President 2	535,000	700,000	600,000	30,000	400,000	182,286	(69.6%)
Vice President 3	550,000	925,000	717,143	10,000	500,000	299,375	(58.3%)
Senior Vice President	600,000	965,000	812,102	50,000	710,000	374,400	(53.9%)
Managing Director				0	900,000	300,000	N/A
Average			\$427,933			\$191,098	(55.3%)

* Year-Over-Year Growth of the Average Bonus.

EXECUTIVE SUMMARY

The End of an Era

Wall Street as we know it has ceased to exist. We started 2008 with 5 major investment banks. Since then, two have been acquired (Merrill Lynch and Bear Stearns), one failed (Lehman Brothers), and two converted into commercial banks (Goldman Sachs and Morgan Stanley).

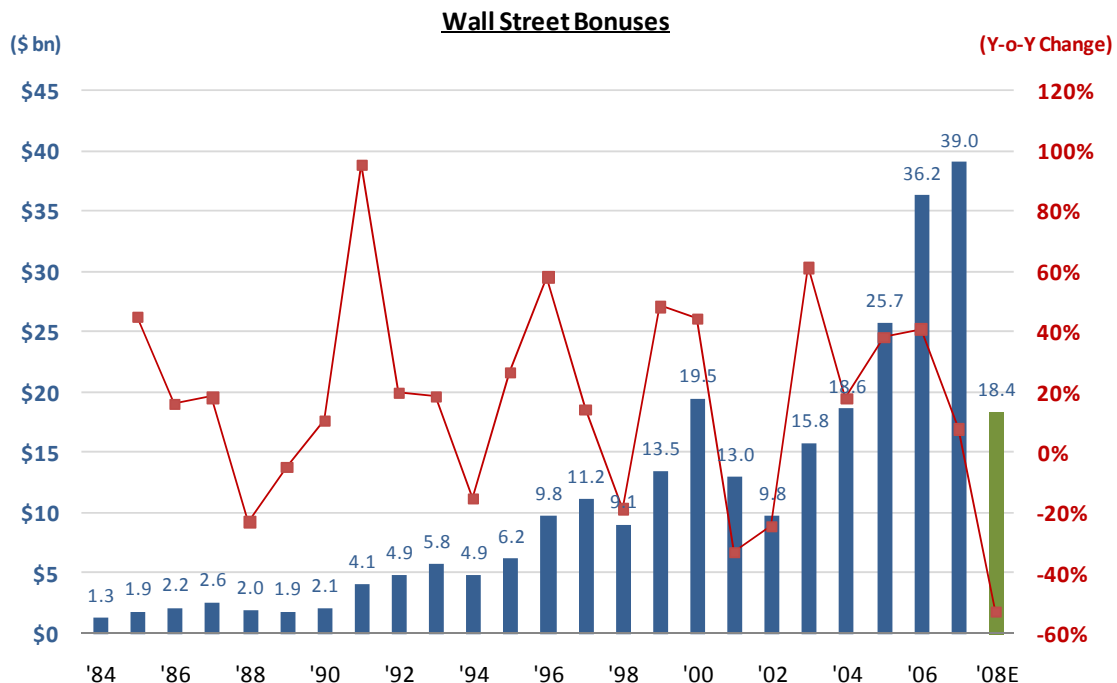
Remember 2007? These 5 firms then paid a record \$39 billion in bonuses, an average of \$201,500 per person – more than 4 times the median U.S. household income.

Since the middle of 2007, more than 150,000 financial jobs have been eliminated worldwide and global banking job cuts could reach 200,000. But the worst financial crisis since the Great Depression didn't deter Wall Street from offering year-end bonuses.

2008 Bonuses declined by 55% according to our estimates, in line with the 53% decline estimated by New York State Comptroller DiNapoli (the Comptroller's office estimates that the bonus pool paid by the securities industry totaled \$18.4 billion in 2008, down from \$39 billion in 2007).

Although the decline is the largest on record in absolute dollars and the largest percentage decline in more than 25 years, the size of the bonus pool is still the 6th largest on record. There is no Wall Street without Bonuses!

Enjoy the Third Annual Wall Street Comps Survey.



REGRESSION ANALYSIS

For statistics aficionados, we ran a regression analysis for the bonuses paid in 2008 based on years of experience, type of banks and location. We excluded from the regression stub bonuses (bonus paid to Associate 0). The analysis yielded the following regression:

$$\text{Bonus} = \$60,788 + \$47,888 * x - \$8,786 * y - \$17,352 * z$$

$$R^2 = 0.443$$

$$\text{Standard Error} = \$109,833$$

x, y and z are defined as follows:

	x
Associate 1	1
Associate 2	2
Associate 3	3
Vice President 1	4
Vice President 2	5
Vice President 3	6
Senior Vice President	7

	y
Large U.S. Banks	1
Large European Banks	2
Boutiques	3
Other	4

	z
New York	1
London	2
Other	3

DISTRIBUTION BY BANKS

2008 Average Bonus by Banks and Title

Banks	Distribution	2008 Average Bonus		
		Associate*	Vice President	SVP
Large U.S. Banks	48%	\$107,430	\$240,400	\$397,714
Bank of America / Merrill Lynch		93,138	254,333	349,667
Barclays / Lehman Brothers		150,500	395,000	
Citigroup		115,000		
Goldman Sachs		185,000		
JPMorgan / Bear Stearns		116,667		415,000
Morgan Stanley			135,333	440,000
Large European Banks	18%	\$79,150	\$282,500	
Credit Suisse		137,500	115,000	
Deutsche Bank		97,542	425,000	
HSBC		78,000		
UBS		49,800	50,000	
Boutiques	12%	\$142,396	\$285,000	\$710,000
Evercore Partners		130,000		
Greenhill		82,917		
Houlihan Lokey		211,667		710,000
Jefferies		128,333		
Lazard		180,000		
Moelis			285,000	
Others	22%	\$42,624	\$215,000	\$200,000
CIBC		30,000	150,000	
Deloitte		32,500	90,000	
RBC		130,000	385,000	
TD Securities		59,500	200,000	
Wachovia		8,900		
Undisclosed		45,200	265,000	200,000
Total Population	100%	\$93,938	\$245,375	\$374,400

* Does not include Associate 0.

DISTRIBUTION BY LOCATION

2008 Average Bonus by Location and Title

Banks	Distribution	2008 Average Bonus		
		Associate*	Vice President	SVP
New York	63%	\$99,939	\$243,294	\$513,000
U.S (ex - NY)	23%	87,914	475,000	230,000
London	6%	86,400	300,000	
Europe (ex - London)	2%		85,000	
Asia	6%	140,000	166,500	244,500
Total Population	100%	\$93,938	\$245,375	\$374,400

* Does not include Associate 0.

2008 Average Bonus by Banks, Location and Title

Banks	Distribution	2008 Average Bonus		
		Associate*	Vice President	SVP
Large U.S. Banks	48%	\$107,430	\$240,400	\$397,714
New York		110,735	253,000	463,750
U.S (ex - NY)		103,611		440,000
London		100,000	300,000	
Europe (ex - London)				
Asia		60,000	166,500	244,500
Large European Banks	18%	\$79,150	\$282,500	
New York		78,806	239,000	
U.S (ex - NY)		122,500	500,000	
London		76,500		
Europe (ex - London)				
Asia		40,000		
Boutiques	12%	\$142,396	\$285,000	\$710,000
New York		120,469	285,000	710,000
U.S (ex - NY)		199,333		
London		165,000		
Europe (ex - London)				
Others	22%	\$42,624	\$215,000	\$200,000
New York		72,000	221,250	
U.S (ex - NY)		22,075	450,000	200,000
London		22,000		
Europe (ex - London)			85,000	
Total Population	100%	\$93,938	\$245,375	\$374,400

* Does not include Associate 0.

DISTRIBUTION BY GROUPS

2008 Average Bonus by Groups and Title

Banks	Distribution	2008 Average Bonus		
		Associate*	Vice President	SVP
M&A	23%	\$81,387	\$157,143	\$415,000
Industry Coverage	58%	101,582	295,933	385,800
Fin. Sponsors / Lev. Fin.	4%	54,333	80,000	200,000
Capital Market	10%	71,472	270,000	245,000
Other Group	4%	144,000		710,000
Total Population	100%	\$93,938	\$245,375	\$374,400

* Does not include Associate 0.

2008 Average Bonus by Banks, Groups and Title

Banks	Distribution	2008 Average Bonus		
		Associate*	Vice President	SVP
Large U.S. Banks	48%	\$107,430	\$240,400	\$397,714
M&A		134,750	40,000	415,000
Industry Coverage		108,633	293,000	385,800
Fin. Sponsors / Lev. Fin.				
Capital Market		78,600		440,000
Other Group				
Large European Banks	18%	\$79,150	\$282,500	
M&A		74,333		
Industry Coverage		88,400	323,000	
Fin. Sponsors / Lev. Fin.			80,000	
Capital Market		40,125		50,000
Other Group				
Boutiques	12%	\$142,396	\$285,000	\$710,000
M&A		15,933	188,750	
Industry Coverage		65,000	240,000	
Fin. Sponsors / Lev. Fin.		54,333		200,000
Capital Market		30,000	270,000	
Other Group		55,500		
Others	22%	\$42,624	\$215,000	\$200,000
M&A		114,792	285,000	
Industry Coverage		138,333		
Fin. Sponsors / Lev. Fin.				
Capital Market		140,000		
Other Group		232,500		710,000
Total Population	100%	\$93,938	\$245,375	\$374,400

* Does not include Associate 0.

ASSOCIATE 0

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	36%	\$10,000	\$25,000	\$20,500
Large European Banks	23%	10,000	30,000	22,000
Boutiques	9%	25,000	40,000	32,500
Other	32%	5,000	65,000	30,000
Total Population	100%	\$5,000	\$65,000	\$24,955

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	55%	\$5,000	\$40,000	\$22,833
U.S (ex - NY)	32%	10,000	65,000	31,429
London	9%	10,000	25,000	17,500
Asia	5%	20,000	20,000	20,000
Total Population	100%	\$5,000	\$65,000	\$24,955

ASSOCIATE I

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	43%	\$0	\$105,000	\$52,690
Large European Banks	14%	9,000	115,000	53,800
Boutiques	14%	68,750	160,000	113,750
Other	29%	5,000	130,000	32,560
Total Population	100%	\$0	\$160,000	\$55,820

Bank	Distribution	Average	% over Mean
Bank of America / Merrill Lynch	23%	\$42,169	-24.5%
Barclays / Lehman Brothers	6%	19,000	-66.0%
CIBC World Markets	3%	30,000	-46.3%
Citigroup	6%	97,500	74.7%
Credit Suisse	3%	115,000	106.0%
Deutsche Bank	3%	115,000	106.0%
Jefferies	6%	120,000	115.0%
JPMorgan / Bear Stearns	9%	73,333	31.4%
UBS	9%	13,000	-76.7%
Wachovia	9%	7,200	-87.1%
Total Population	100%	\$55,820	

*Only banks with more than one data entry are shown.

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	69%	\$0	\$160,000	\$67,900
U.S. (excluding NY)	29%	0	92,500	26,410
Asia	3%	60,000	60,000	60,000
Total Population	100%	\$0	\$160,000	\$55,820

2008 Bonus by Group

Group	Distribution	Min	Max	Average
M&A	23%	\$6,600	\$160,000	\$63,794
Industry Coverage	54%	0	130,000	54,545
Fin. Sponsors / Lev. Fin.	6%	15,000	48,000	31,500
Capital Market	14%	20,000	140,000	66,600
Other Group	3%	11,000	11,000	11,000
Total Population	100%	\$0	\$160,000	\$55,820

ASSOCIATE 2

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	40%	\$65,000	\$350,000	\$159,643
Large European Banks	29%	0	175,000	87,583
Boutiques	14%	100,000	300,000	178,000
Other	17%	0	130,000	73,571
Total Population	100%	\$0	\$350,000	\$126,521

Bank	Distribution	Average	% over Mean
Bank of America / Merrill Lyn	14%	\$139,000	9.9%
Barclays / Lehman Brothers	9%	206,667	63.3%
Credit Suisse	3%	160,000	26.5%
Deutsche Bank	14%	94,050	-25.7%
Houlihan Lokey	6%	232,500	83.8%
JPMorgan / Bear Stearns	14%	154,000	21.7%
TD Securities	6%	85,000	-32.8%
UBS	6%	70,000	-44.7%
Total Population	100%	\$126,521	

**Only banks with more than one data entry are shown.*

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	51%	\$5,250	\$295,000	\$135,847
U.S (ex - NY)	31%	0	350,000	135,000
London	11%	75,000	165,000	104,500
Asia	6%	0	80,000	40,000
Total Population	100%	\$0	\$350,000	\$126,521

2008 Bonus by Group

Group	Distribution	Min	Max	Average
M&A	17%	\$0	\$180,000	\$89,500
Industry Coverage	60%	0	350,000	138,857
Fin. Sponsors / Lev. Fin.	3%	100,000	100,000	100,000
Capital Market	11%	5,250	165,000	77,563
Other Group	9%	100,000	300,000	188,863
Total Population	100%	\$0	\$350,000	\$126,521

ASSOCIATE 3

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	75%	\$6,000	\$245,000	\$117,444
Boutiques	17%	80,000	170,000	125,000
Other	8%	14,000	14,000	14,000
Total Population	100%	\$6,000	\$245,000	\$110,083

Bank	Distribution	Average	% over Mean
Bank of America / Merrill Lynch	33%	\$137,750	25.1%
Barclays / Lehman Brothers	8%	245,000	122.6%
Goldman Sachs	8%	185,000	68.1%
JPMorgan / Bear Stearns	8%	60,000	-45.5%
Morgan Stanley	17%	8,000	-92.7%
Total Sub-Group	75%	\$117,444	6.7%
Total Population	100%	\$110,083	

**Only banks with more than one data entry are shown.*

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	83%	\$6,000	\$245,000	\$112,200
London	8%	14,000	14,000	14,000
U.S. (excluding NY)	8%	185,000	185,000	185,000
Total Population	100%	\$6,000	\$245,000	\$110,083

2008 Bonus by Group

Group	Distribution	Min	Max	Average
M&A	42%	\$80,000	\$245,000	\$99,800
Industry Coverage	58%	6,000	200,000	117,429
Total Population	100%	\$6,000	\$245,000	\$110,083

VICE PRESIDENT

2008 Bonus by Title

Title	Distribution	Min	Max	Average
Vice President 1	38%	\$50,000	\$430,000	\$252,250
Vice President 2	29%	30,000	400,000	182,286
Vice President 3	33%	10,000	500,000	299,375
Total Population	100%	\$10,000	\$500,000	\$242,702

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	42%	\$10,000	\$430,000	\$240,400
Large European Banks	25%	80,000	500,000	282,500
Boutiques	4%	285,000	285,000	285,000
Other	29%	30,000	450,000	215,000
Total Population	100%	\$10,000	\$500,000	\$242,702

Bank	Distribution	Average	% over Mean
Bank of America / Merrill Lynch	13%	\$254,333	4.8%
Barclays / Lehman Brothers	13%	395,000	62.8%
CIBC	8%	150,000	-38.2%
Credit Suisse	13%	115,000	-52.6%
Deutsche Bank	8%	425,000	75.1%
Goldman Sachs	4%	275,000	13.3%
Morgan Stanley	13%	135,333	-44.2%
Total Sub-Group	71%	\$249,952	3.0%
Total Population	100%	\$242,702	

**Only banks with more than one data entry are shown.*

VICE PRESIDENT (CONT'D)

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	71%	\$10,000	\$450,000	\$243,294
U.S (ex - NY)	8%	450,000	500,000	475,000
London	4%	300,000	300,000	300,000
Europe (excluding London)	8%	80,000	90,000	85,000
Asia	8%	30,000	303,000	166,500
Total Population	100%	\$10,000	\$500,000	\$242,702

2008 Bonus by Group

Group	Distribution	Min	Max	Average
M&A	29%	\$10,000	\$385,000	\$157,143
Industry Coverage	62%	30,000	500,000	295,933
Fin. Sponsors / Lev. Fin.	4%	80,000	80,000	80,000
Capital Market	4%	270,000	270,000	270,000
Total Population	100%	\$10,000	\$500,000	\$242,702

SENIOR VICE PRESIDENT

2008 Bonus by Banks

Type of Bank	Distribution	Min	Max	Average
Large U.S. Banks	70%	\$89,000	\$520,000	\$397,714
Large European Banks	10%	50,000	50,000	50,000
Boutiques	10%	100,000	710,000	501,200
Other	10%	185,000	200,000	192,500
Total Population	100%	\$50,000	\$710,000	\$374,400

Bank	Distribution*	Average	% over Mean
Bank of America / Merrill Lynch	30%	\$349,667	-6.6%
JPMorgan / Bear Stearns	10%	415,000	10.8%
Morgan Stanley	30%	440,000	17.5%
Total Sub-Group	70%	\$397,714	6.2%
Total Population	100%	\$374,400	

*Only banks with more than one data entry are shown.

2008 Bonus by Location

Location	Distribution	Min	Max	Average
New York	50%	\$415,000	\$710,000	\$513,000
U.S (ex - NY)	30%	50,000	440,000	230,000
Asia	20%	89,000	400,000	244,500
Total Population	100%	\$50,000	\$710,000	\$374,400

2008 Bonus by Group

Group	Distribution	Min	Max	Average
M&A	10%	\$345,000	\$415,000	\$390,500
Industry Coverage	50%	89,000	520,000	385,800
Fin. Sponsors / Lev. Fin.	10%	178,000	200,000	189,000
Capital Market	20%	50,000	440,000	245,000
Other Group	10%	710,000	710,000	710,000
Total Population	100%	\$50,000	\$710,000	\$374,400

If you would like to be contacted for next year's survey,
please join our mailing list at

<http://www.wallstreetcomps.com/ mailing.asp>

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