

**WALL STREET INCENTIVE AWARDS WILL DECLINE SHARPLY IN 2011,
JOHNSON ASSOCIATES ANALYSIS FINDS**

**Biggest Declines Expected for
Fixed Income, Equities Professionals, Senior Management**

NEW YORK, November 8, 2011 – For the second time in four years, Wall Street professionals can expect to receive sharply lower year-end incentive payouts compared to the previous year, according to an annual compensation analysis released today by Johnson Associates, Inc., a New York-based compensation consulting firm. Year-end incentives declined sharply in 2008 during the economic crisis, but then rebounded the past two years.

“This year started with great promise for a banner year on Wall Street, but hopes for larger bonuses faded over the summer and continue to dim as we approach year end,” said Alan Johnson, managing director of Johnson Associates. “The lack of economic recovery, combined with ongoing uncertainty in the world markets, and global and regional regulation are driving most financial services firms to significantly reduce the size of their bonus pools. As a result, most, but not all, professionals will receive smaller payouts this year.”

The Johnson Associates third quarter compensation analysis, a closely-watched industry barometer, shows that year-end incentives, which include cash bonuses and equity awards, will decline by an average 20 to 30 percent this year compared to 2010. Fixed income traders will be the hardest hit, with their year-end incentives expected to decline by as much as 45 percent. Equities traders and senior management will see their year-end bonuses trimmed by up to 30% while year-end payments for investment bankers will fall by 20%. Incentives for the rest of the financial services industry, including asset management, high net worth, retail banking and prime brokerage will be flat or slightly lower or higher than last year.

Business Area	Percent Change from 2010
Fixed Income	Minus 35 – 45%+
Equities	Minus 20 – 30%

Senior Management	Minus 20 – 30%
Staff Positions	Minus 15 – 25%
Investment Banking Advisory/Underwriting	Minus 10 – 20%
Hedge Funds	Minus 5 – 10%+
Asset Management Equities	Minus 5 – 0%
Asset Management Fixed Income	0 – Plus 5%
Prime Brokerage	Minus 5 – 0%
Private Equity	Minus 5 – 0%
Commercial/Retail Banking	Minus 5 – Plus 5%
High Net Worth	0 – Plus 5%

Johnson Associates regularly monitors compensation trends among a wide range of commercial and investment banks, and financial services companies. Its quarterly compensation analysis is based on the firm’s ongoing monitoring of the financial services industry and public data from eight of the nation’s largest investment and commercial banks and ten of the largest asset management firms.

Outlook for 2012

“Looking ahead to 2012, we expect to see a modest recovery in many segments of the financial services industry. Barring further economic weakness or major collapses among banks or foreign countries, bonuses for investment and commercial bankers and those in asset and wealth management and alternatives could jump by 15 percent or more next year. Additionally, firms will continue to reduce headcount in the United States but will add to staff in emerging markets where many companies are expanding their business operations,” concluded Johnson.

ABOUT JOHNSON ASSOCIATES

Johnson Associates is a boutique compensation consulting firm specializing in the design of annual and long-term incentive plans and establishing appropriate market pay levels. The firm is well-known for providing candid advice and for its expertise and in-depth knowledge of the financial services industry, including major investment and commercial banks, asset management firms, hedge funds and other alternative investments, insurance companies, and brokerages. For more information, visit www.jaiconsulting.com