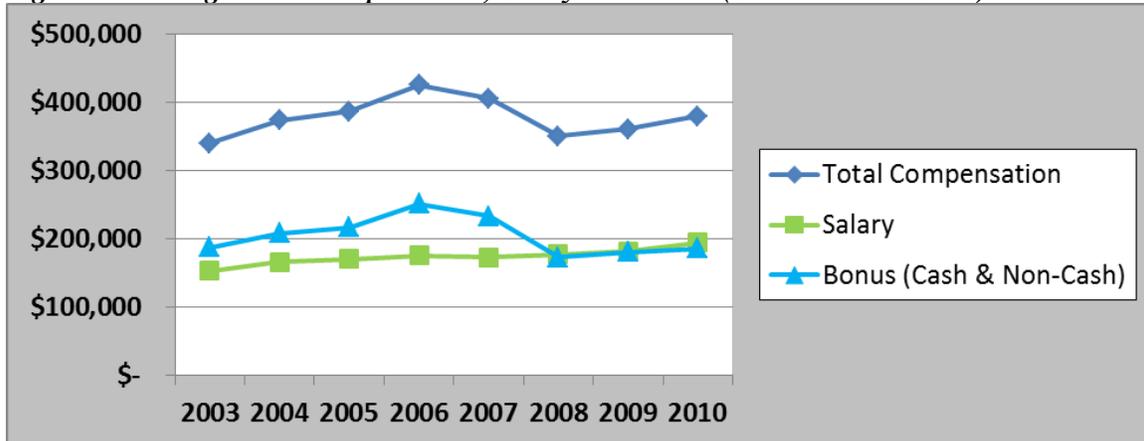


Executive Summary

The **2011 Risk Talent Associates Professional Compensation Survey – Capital Markets** confirms that total compensation for risk professionals in the capital markets has continued its rebound after the dip between 2006 and 2008 that reflected the impact of the credit crisis and early parts of the recession. Between 2009 and 2010, total compensation grew by an average of 7% and salaries increased an average of 4%, an improvement over gains between 2008 and 2009. The percentage of respondents who reported receiving a bonus in 2009 and 2010 was an average of 88% compared to only 79% in 2008.

Figure 1: Average Total Compensation, Salary and Bonus (Cash and Non-Cash) 2003-2010



Source: Risk Talent Associates Salary Survey (published between 2004 and 2011). All figures in US Dollars.

The survey also reveals trends in job movement: the percentage of respondents who reported changing jobs in the last two years was 18% overall, but differed between junior and senior level participants. For those with less than 6 years of experience, a third (33%) of participants reported changing jobs, as compared to 23% of those with 7-10 years of experience, 19% of those with 11-15 years of experience, and 13% of those with more than 16 years of experience. For junior risk managers, a healthier job market and heightened focus on risk has improved the range of job opportunities. For senior positions, requirements for specific skills have become more demanding.

To fill new risk management roles, the majority leverage internal recruiting, corporate staffing or human resources, with approximately half of the respondents also utilizing retained search firms, contingency recruiting firms and job boards such as www.globalriskjobs.com.

This year's risk salary survey included input from over 225 risk professionals in the capital markets, with 75% representing commercial and investment banks and 25% representing other areas such as government sponsored entities, credit card, mortgage brokers and lenders, rating agencies and financial exchanges. Risk Talent Associates, an executive search firm focused on risk management, will publish additional survey updates in 2011 including asset management, software, consulting, energy and corporate. All surveys analyze compensation trends by years of experience and title, industry segment, risk focus, geography and size of company.

Survey Analysis

Rebound Strong Across All Levels

The survey validates that the rebound in total compensation is consistently strong across all types of risk managers in terms of years of experience and titles. Salary growth is in the 5% range for those with 0-6 years, 7-10 years and 11-15 years versus 3% for those with more than 16 years of experience. Bonus growth for those with more than 16 years of experience outpaces that of the other groups.

Figure 2: Average Total Compensation, Salary and Bonus by Years of Experience (in USD)

	% of Total	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2009	2010	2009	2010	2009	2010	2009	2010
0-6 years	8%	\$ 160,181	\$ 170,042	\$ 128,056	\$ 135,000	\$ 25,375	\$ 28,292	\$ 6,750	\$ 6,750
7-10 years	17%	\$ 259,086	\$ 271,427	\$ 142,821	\$ 148,974	\$ 64,515	\$ 71,856	\$ 51,750	\$ 50,596
11-15 years	29%	\$ 331,585	\$ 353,940	\$ 183,615	\$ 192,231	\$ 90,579	\$ 90,475	\$ 57,391	\$ 71,234
16+ years	45%	\$ 431,388	\$ 461,402	\$ 216,634	\$ 223,020	\$ 106,383	\$ 116,823	\$ 108,371	\$ 121,559
Overall		\$ 355,484	\$ 379,608	\$ 186,951	\$ 193,991	\$ 88,725	\$ 94,753	\$ 79,808	\$ 90,865

Source: Risk Talent Associates Salary Survey 2011. All figures in US Dollars and rounded to nearest thousand.

The survey results by title reveal that growth in total compensation is strongest for Managing Director/Executive Director positions. This year's survey continues to reflect average total compensation in the \$600,000 to \$800,000 range for Managing Directors and Chief Risk Officers, lower than results that topped \$800,000 for Managing Directors and \$1 million for Chief Risk Officers in surveys prior to 2008. It is important to note that when the data for Chief Risk Officers is analyzed for those employed only by investment banks, the average total compensation rises to \$1.1 million.

Figure 3: Average Total Compensation, Salary and Bonus by Title (USD)

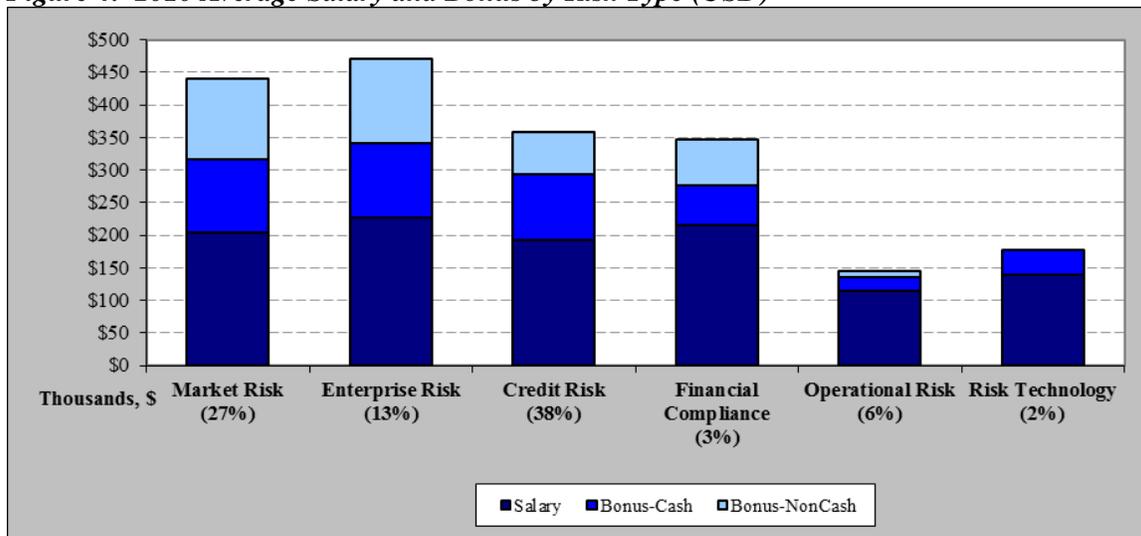
	% of Total	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2009	2010	2009	2010	2009	2010	2009	2010
Analyst/Associate	5%	\$ 120,981	\$ 129,513	\$ 100,909	\$ 107,727	\$ 16,571	\$ 18,286	\$ 3,500	\$ 3,500
Sr Assoc/Manager	14%	\$ 149,831	\$ 165,106	\$ 117,581	\$ 123,065	\$ 16,125	\$ 24,667	\$ 16,125	\$ 17,375
Vice President	19%	\$ 271,368	\$ 279,742	\$ 162,209	\$ 166,860	\$ 55,047	\$ 61,270	\$ 54,111	\$ 51,611
Director	30%	\$ 317,994	\$ 314,597	\$ 191,103	\$ 194,632	\$ 82,766	\$ 77,340	\$ 44,125	\$ 42,625
Senior VP	12%	\$ 378,085	\$ 402,036	\$ 185,741	\$ 191,296	\$ 109,286	\$ 119,857	\$ 83,059	\$ 90,882
MD/ Exec. Director	10%	\$ 544,789	\$ 634,220	\$ 270,217	\$ 305,217	\$ 178,258	\$ 201,447	\$ 96,313	\$ 127,556
Chief Risk Officer	8%	\$ 720,851	\$ 785,298	\$ 305,294	\$ 301,176	\$ 209,357	\$ 244,821	\$ 206,200	\$ 239,300

Source: Risk Talent Associates Salary Survey 2011. All figures in US Dollars and rounded to nearest thousand.

Enterprise Risk Professionals Top Capital Markets Total Compensation

Enterprise risk professionals receive higher total compensation than those focused exclusively on market risk, credit risk, financial compliance, operational risk and risk technology, in that order. These differences are still driven by more substantial cash and non-cash bonuses.

Figure 4: 2010 Average Salary and Bonus by Risk Type (USD)



Source: Risk Talent Associates Salary Survey 2011. All figures in US Dollars and rounded to nearest thousand.

Professionals Based in US Eastern Corridor Earn Top Compensation in U.S.

As in past surveys, risk managers based in urban cities in the eastern corridor (Southeast, Mid-Atlantic, New York city and Northeast) outpace counterparts in the Midwest and Western parts of the United States. Risk managers in Europe are at approximately the same level, which is significantly higher than those participants representing Asia and Canada.

Survey Methodology

The **2011 Risk Talent Associates Professional Compensation Survey – Capital Markets** was conducted in the spring of 2011 using Survey Monkey survey software. Invitations to participate in the survey were sent to risk professionals in the Risk Talent Associates corporate database.

The survey collected information on 2009 and 2010 salary, cash and non-cash compensation (such as stock, options, and other non-cash compensation). Survey respondents identified their capital markets segment, years of experience, title, type of risk focus, and geographic location.

Risk Talent Associates, an executive search firm focused on risk management, is conducting its seventh annual series of risk compensation surveys in 2011 across four market segments: capital markets, asset management, compliance and other fields (software, consulting, energy and corporate).

About Risk Talent Associates

Risk Talent Associates (www.risktalent.com) is the leading international executive search firm focused exclusively on positions in the fields of market, credit and operational risk, as well as financial compliance and risk technology. Risk Talent's expertise, industry knowledge, proprietary network and dedicated focus shorten the recruiting process to deliver senior and mid-level risk managers in the capital markets, asset management, energy, consulting and software industries. Risk Talent has offices in New York, Chicago, Hong Kong and London.

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