Evercore Partners Inc.
Form DEF 14A
April 25, 2014
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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 The 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:

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

(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):

(4) Proposed maximum aggregate value of transaction:

(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:

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EVERCORE PARTNERS INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

June 5, 2014

The Annual Meeting of Stockholders of Evercore Partners Inc. will be held at the offices of Simpson Thacher and Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, on June 5, 2014, at 9:00 a.m., local time, for the following purposes:

- to elect the eight director nominees identified in the accompanying Proxy Statement;
- to approve, on an advisory basis, the compensation of our Named Executive Officers as disclosed in the accompanying Proxy Statement;
- to ratify the selection of Deloitte & Touche LLP as our independent registered public accounting firm for 2014; and
- to transact such other business as may properly come before our Annual Meeting of Stockholders or any adjournments or postponements thereof.

Our Board of Directors has fixed the close of business on April 16, 2014 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.

If you plan to attend the Annual Meeting of Stockholders in person, you will need to bring photo identification. In addition, if your shares are held in the name of a bank, broker or other holder of record, you must also bring with you a letter (and a legal proxy if you wish to vote your shares) from the bank, broker or other holder of record confirming your ownership as of the record date. See **What do I need to do if I want to attend the Annual Meeting?** on pages 7-8 of the Proxy Statement.

Along with the attached Proxy Statement for the Annual Meeting of Stockholders, we are enclosing our 2013 Annual Report to Stockholders, which includes our financial statements.

BY ORDER OF THE BOARD OF DIRECTORS

Adam B. Frankel

Corporate Secretary

April 25, 2014

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR

THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JUNE 5, 2014

The Notice of Annual Meeting, Proxy Statement, Form of Proxy and 2013 Annual Report to Stockholders are also available at www.proxyvote.com.

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EVERCORE PARTNERS INC.

55 East 52nd Street

38th Floor

New York, New York 10055

PROXY STATEMENT

Our Board is soliciting proxies to be voted at the Annual Meeting of Stockholders to be held at the offices of Simpson Thacher and Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, on June 5, 2014, 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 and the 2013 Annual Report to Stockholders (which includes our Form 10-K) are first being mailed to stockholders on or about April 25, 2014.

In this Proxy Statement, the Company refers to Evercore Partners Inc. and *we*, *us*, *our* or *Evercore* all refer to Evercore Partners Inc. and its subsidiaries. For ease of reference, we have included definitions of the abbreviations, capitalized terms and other terms frequently used in this Proxy Statement in the Glossary of Key Defined Terms beginning on page 62.

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PROXY SUMMARY

This summary is intended to assist you in reviewing the proposals. You should read the entire Proxy Statement carefully before voting. Your vote is important. Whether or not you plan to attend the Annual Meeting, we encourage you to vote your shares promptly.

Agenda and Board Recommendations

Proposal	Board Voting Recommendation	Page Reference (for more detail)
1. Election of eight directors	FOR each nominee	10
2. Advisory vote to approve the compensation of our NEOs	FOR	55
3. Ratification of Deloitte & Touche LLP as our independent registered public accounting firm for 2014	FOR	60

Performance Highlights

The following are highlights of the Company s 2013 U.S. GAAP performance, which is discussed further under **Compensation of our Named Executive Officers**.

TSR of 102% in the last year, 90% over the past three years and 443% over the past five years, outperforming the market

Repurchases of 2.5 million shares and Evercore LP limited partnership units during the year, returning $128.2 million of cash to stockholders, including dividends, and more than offsetting the dilutive effects of annual bonus equity awards. In October 2013, our Board authorized the repurchase of additional shares of Class A common stock and Evercore LP limited partnership units so that going forward Evercore will be able to repurchase an aggregate of 5 million shares of Class A common stock and Evercore LP limited partnership units for up to $250 million

Net Revenues of $765.4 million, up 19% compared to 2012

Assets Under Management in consolidated businesses: $13.6 billion, up 13% during 2013

Dividend increased to $0.25 per share for the last quarter of 2013

Compensation Highlights

Our pay-for-performance compensation program is designed to reward performance and align the long-term interests of our executives with those of stockholders. The following are highlights of our 2013 NEO compensation structure, as determined by our independent Compensation Committee, as discussed further under **Compensation of our Named Executive Officers**.

No Change in Base Salaries. Base salary continues to represent a minority of total compensation, and has not been increased for our NEOs since they joined us.

Annual Incentive Compensation 50% in Unvested Equity. For 2013, bonuses for NEOs were paid 50% in cash and 50% in RSUs that vest over four years. The Compensation Committee sets the bonus amount in its sole discretion and then allocates between cash and RSUs and, as such, these RSUs are **not** paid as additional compensation.

Modest Compensation Increase Compared to Performance. Total annual incentive compensation for 2013 increased only 6% from 2012 for our CEO, as compared to a one-year TSR of 102%.

Adoption of Equity Ownership Guidelines for Executive Officers and Significant Equity Ownership by NEOs. Our NEOs hold significant amounts of equity in our company, and we recently adopted formal equity ownership guidelines for executive officers in response to stockholder feedback. All employees, including our NEOs, are prohibited from hedging or pledging their equity securities.

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GENERAL INFORMATION

Why am I receiving this Proxy Statement?

The Board is soliciting proxies for our 2014 Annual Meeting of Stockholders, 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 16, 2014, the record date. 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 from your broker or other intermediary, 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 eight director nominees identified in this Proxy Statement;
- to approve, on an advisory basis, the compensation of our NEOs as disclosed in this Proxy Statement;
- to ratify the selection of Deloitte as our independent registered public accounting firm for 2014; and
- to transact such other business as may properly come before our Annual Meeting or any adjournments or postponements thereof.

What are the Board s recommendations?

Our Board recommends:

- a vote **FOR** the election of each of Roger C. Altman, Pedro Aspe, Richard I. Beattie, Francois de Saint Phalle, Gail B. Harris, Curt Hessler, Robert B. Millard and Ralph L. Schlosstein to serve as directors until the next Annual Meeting or until their successors are duly elected and qualified;
- a vote **FOR** the advisory resolution approving the compensation of our NEOs as disclosed in this Proxy Statement; and
- a vote **FOR** the ratification of the selection of Deloitte as our independent registered public accounting firm for 2014.

How do I vote?

You can vote either in person at our Annual Meeting or by proxy without attending our Annual Meeting. To vote by proxy you may vote by telephone, on the internet or through the mail as follows, which instructions are also set forth on your proxy card:

- *Vote by Internet* www.proxyvote.com: Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you access the website and follow the instructions to obtain your records and to create an electronic voting instruction form.

Vote by Phone 1-800-690-6903: Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time the day before the meeting date. Have your proxy card in hand when you call and then follow the instructions.

Vote by Mail: Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717, so that it is received no later than the day before the meeting date.

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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 and so your vote will be counted if you later decide not to attend the Annual Meeting. If you are voting by mail, you should follow the instructions set forth on the proxy card, being sure to complete it, to sign and date 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 previously delivered proxy will not be counted.

If your shares are held through a bank, broker or other holder of record (that is, 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 bank, broker or other holder of record and bring it to the meeting. Please also see the information under **What do I need to do if I want to attend the Annual 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, Computershare Shareowner Services LLC, you are considered, with respect to those shares, the *stockholder of record*. We have sent the notice of Annual Meeting, Proxy Statement, Annual Report and proxy card directly to you.

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

What type of financial information is used in this Proxy Statement?

Consistent with SEC rules, the Evercore financial measures in this Proxy Statement are those prepared in accordance with U.S. GAAP. SEC rules do not permit us to disclose non-GAAP financial measures without also including or referencing a reconciliation to the GAAP numbers.

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How does Evercore s corporate structure impact Evercore s share count and vote calculation?

The diagram below depicts our organizational structure. Our organizational structure is similar to an umbrella partnership real estate investment trust, or UPREIT structure, which is common in the real estate sector and with human capital-intensive businesses which have gone public over the past few years.

Our SMDs and certain other individuals and entities who contributed assets to receive equity in Evercore hold their equity in limited partnership units issued by Evercore LP, a Delaware limited partnership. However, in order to have similar voting rights as holders of Class A common stockholders, all holders of Evercore LP limited partnership units (other than the Company) also hold Class B common stock, which entitles them to one vote for each vested and unvested limited partnership unit in Evercore LP held by such holder. Holders of our Class A common stock and Class B common stock vote together as a single class on all matters presented to our stockholders for their vote or approval, except as otherwise required by applicable law.

While the Class B common stock has no economic rights, the Company funds dividends to holders of our Class A common stock by causing Evercore LP to make distributions to its partners, including the Company.

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Evercore LP makes pro-rata distributions to the partners of Evercore LP based on their interest in Evercore LP concurrent with Evercore LP distributions to the Company. Furthermore, vested Evercore LP limited partnership units, at the discretion of the unit holder, are exchangeable on a one-for-one basis for shares of our Class A common stock, subject to customary conversion rate adjustments for stock splits, stock dividends and reclassifications. No conversion or exercise price is required to be paid to convert vested Evercore LP limited partnership units into Class A common stock. Thus, it is through the combination of Class B common stock of Evercore and Evercore LP limited partnership units that these equity holders have the same basic equity interests as if they held an equivalent amount of Class A common stock.

Because of our corporate structure and for the reasons stated above, we view our share count as including Evercore LP limited partnership units. When we calculate total shares and share equivalents, we include Evercore LP limited partnership units. Unless indicated otherwise, where we use the terms voting power, votes outstanding, votes cast or other similar terms, such terms should be read to include both the number of Class A common stock outstanding and the number of votes associated with Class B shares, which is equal to the number of vested and unvested Evercore LP limited partnership units. As of April 16, 2014, the record date for our Annual Meeting, 39,603,175 shares of Class A common stock and Class B common stock are entitled to vote.

What is our share count?

As of April 16, 2014, the record date for our Annual Meeting, our share count was as follows:

Shares of Class A common stock outstanding	34,826,942
Evercore LP Limited Partnership Units outstanding	4,776,233
Total shares	39,603,175

What constitutes a quorum?

The holders of a majority in voting power of the issued and outstanding shares of Class A common stock and Class B common stock (which is equal to the number of Evercore LP limited partnership units) entitled to vote must be present in person or represented by proxy to constitute a quorum for the Annual Meeting. Abstentions are counted as present and entitled to vote for purposes of determining a quorum. Shares represented by broker non-votes (as defined below) also are counted as present and entitled to vote for purposes of determining a quorum. However, if you hold your shares in street name and do not provide voting instructions to your bank, broker or other holder of record, under current NYSE rules, the election of the directors listed herein and the advisory vote to approve the compensation of our NEOs are considered non-discretionary matters and a bank, broker or other holder of record will lack the authority to vote shares at his/her discretion on these proposals, and your shares will not be voted on these proposals (a *broker non-vote*).

How are votes calculated?

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 16, 2014.

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 limited partnership units in Evercore LP that you held as of the close of business on April 16, 2014.

If you hold RSUs, you will not be entitled to vote the shares underlying such RSUs 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 or any adjournments or postponements thereof will be voted on by the holders of our Class A common stock and Class B common stock, voting together as a single class.

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How many votes are required to approve each proposal and how are votes counted?

	Elect the eight director nominees identified in this Proxy Statement	Advisory vote to approve the compensation of our NEOs	Advisory vote to ratify the selection of Deloitte as our independent registered public accounting firm for 2014
How many votes are required for approval?	A plurality of affirmative votes cast, even if less than a majority	A majority of affirmative votes cast	A majority of affirmative votes cast
How are director withhold votes treated?	Withhold votes will be excluded entirely from the vote with respect to the nominee from which they are withheld	N/A	N/A
How are abstentions votes treated?	Abstentions will not be counted as votes cast	Abstentions will not be counted as votes cast	Abstentions will not be counted as votes cast
How are broker non-votes handled?	Broker non-votes will not be counted as votes cast	Broker non-votes will not be counted as votes cast	Banks, brokers and other holders of record may exercise discretion and vote on this matter
How will signed proxies that do not specify voting preferences be treated?	Votes will be cast for the eight director nominees identified in this Proxy Statement	Votes will be cast for the approval of the compensation of our NEOs	Votes will be cast for the ratification of the selection of Deloitte as our independent public accounting firm for 2014

It is important to note that the proposals to approve the compensation of our NEOs and ratify the selection of the independent registered public accounting firm are non-binding and advisory. However, the Board intends to carefully consider the results of these votes in making future compensation decisions. If our stockholders fail to ratify the selection of Deloitte, the selection of another independent registered public accounting firm may be considered by our Board. Even if the selection is ratified, the Audit Committee in its discretion may select a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of the Company and our stockholders.

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 or voting instruction card. If no specific instructions are given, proxy cards and voting instruction cards which are signed and returned will be voted as follows at the Annual Meeting or any adjournments or postponements thereof:

FOR the election of each of the director nominees listed herein;

FOR the advisory resolution approving the compensation of our NEOs as disclosed in this Proxy Statement; and

FOR the ratification of the selection of Deloitte as our independent registered public accounting firm for 2014.

In addition, the persons named in the enclosed proxy will have discretionary authority to vote all proxies with respect to other matters that may properly come before our Annual Meeting or any adjournments or postponements of the meeting in accordance with their judgment.

Can I change my vote?

Yes. At any time before your proxy is exercised at the Annual Meeting, you may change your vote by:

revoking it by written notice sent to our Corporate Secretary that is received by 5:00 p.m. Eastern Time on June 4, 2014;

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delivering a later-dated proxy card that is received by 5:00 p.m. Eastern Time on June 4, 2014;

voting again by Internet or telephone at a later time before the closing of the voting facilities at 11:59 p.m. Eastern Time on June 4, 2014; 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.

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 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 anyone 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. We have also engaged Alliance Advisors LLC to assist in the solicitation and distribution of proxies, and Alliance will receive a fee of approximately $30,000, plus reasonable out-of-pocket costs and expenses, for its services. Brokerage houses, nominees, fiduciaries and other custodians will be requested to forward soliciting materials to beneficial owners and will be reimbursed for their reasonable out-of-pocket expenses incurred in sending proxy materials to beneficial owners.

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?

All holders of Class A common stock and Class B common stock, including stockholders of record and stockholders who hold their shares through banks, brokers or other holders of record, may attend the Annual Meeting. Stockholders of record can vote in person at the Annual Meeting. If you plan to attend the Annual Meeting, you must bring your proxy card and photo identification. If you are a representative of a stockholder that is an entity, you must also bring evidence of your authority to represent that entity. If your shares are held in the name of a bank, broker or other holder of record, you must bring with you a legal proxy if you wish to vote your shares and a letter from the bank, broker or other holder of record confirming your ownership as of the record date, which is April 16, 2014. Failure to bring the necessary documentation may delay your ability to attend or may prevent you from attending and voting at the meeting. A number of stockholders may wish to speak at the meeting. The Board appreciates the opportunity to hear the views of stockholders. In fairness to all stockholders and participants at the meeting, and in the interest of an orderly and constructive meeting, rules of conduct will be enforced. Copies of these rules will be available at the meeting. Only stockholders or their valid proxy holders may address the meeting. Depending on the number of stockholders who wish to speak, we cannot ensure that every such stockholder will be able to do so or will be able to do so for as long as they might want to hold the floor.

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Only proposals that meet the requirements of our Amended and Restated Bylaws will be eligible for consideration at the meeting. This year there are no stockholder proposals that meet the criteria. Therefore, stockholder proposals raised at the meeting will not be considered during the Annual Meeting. Stockholders may submit proposals and other matters for consideration at the 2015 Annual Meeting as described in **Stockholder Proposals and Nominations for 2015 Annual Meeting**.

The Annual Meeting will be held at the offices of Simpson Thacher and Bartlett LLP, 425 Lexington Avenue, New York, New York 10017, on June 5, 2014, at 9:00 a.m., local time. If you wish to obtain directions to attend the meeting in person, you may send an e-mail to: investorrelations@evercore.com or call (212) 857-3100.

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 a Current Report on Form 8-K within four business days following the Annual Meeting.

When is our fiscal year?

Our fiscal year ends on December 31st of each year. Our 2013 fiscal year was from January 1, 2013 through December 31, 2013. Our 2014 fiscal year will be from January 1, 2014 through December 31, 2014.

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ANNUAL REPORT AND CORPORATE SECRETARY

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 SEC from the SEC s EDGAR database at *www.sec.gov*.

How can I contact our Corporate Secretary?

In several sections of this Proxy Statement, we suggest that you should contact our Corporate Secretary to follow up on various items. You can reach our Corporate Secretary by writing to the Corporate Secretary Department at our principal offices located at 55 East 52nd Street, 38th floor, New York, New York 10055.

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PROPOSAL 1 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 eight persons identified herein for election as directors, each of whom is a director currently, to hold office until the next Annual Meeting or until the election and qualification of their successors.

On April 21, 2014, Mr. Anthony N. Pritzker gave notice to the Board of his resignation from our Board, effective as of the date thereof. Mr. Pritzker s decision was not due to any disagreement with the Company s management or the Board. The Company thanks Mr. Pritzker for his valued contributions to the Board. The Nominating and Corporate Governance Committee is actively engaged in a process for evaluating potential candidates for our Board who meet all of the rigorous SEC and NYSE independence standards discussed further in the **Corporate Governance** section.

Nominees

Set forth below are the names of the nominees for election as our directors; their ages and principal occupations as of April 16, 2014; and their biographical information.

Name	Age	Position	Director Since
Roger C. Altman	68	Executive Chairman, Co-Chairman of the Board and Director	2006
Pedro Aspe	63	Co-Chairman of the Board and Director	2006
Richard I. Beattie	74	Director	2010
Francois de Saint Phalle	68	Director	2006
Gail B. Harris	61	Director	2006
Curt Hessler	70	Director	2006
Robert B. Millard	63	Director	2012
Ralph L. Schlosstein	63	CEO, President and Director	2009

Roger C. Altman, Executive Chairman and Co-Chairman of the Board, co-founded Evercore in 1996 and served as our CEO until May 2009. Since May 2009, Mr. Altman has served as our Executive Chairman and has remained an executive officer. 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 and serves on its Finance Committee, and he also is vice chairman of the board of the American Museum of Natural History. He also serves as chairman of New Visions for Public Schools, a not-for-profit organization that develops and implements programs to effect system-wide improvements in public education in New York City. He is a member of the Council on Foreign Relations and a director of Conservation International. He received an A.B. from Georgetown University and an M.B.A. from the University of Chicago.

Pedro Aspe, Co-Chairman of the Board, founded Evercore Partners Mexico (formerly Protego Asesores S. de R.L.) in 1996, and serves as Evercore Partners Mexico s chairman of the board of directors and chief executive officer. Evercore Partners Mexico s activities include financial advisory services, private equity investment management and, through its subsidiary Evercore Casa de Bolsa, S.A. de C.V. (formerly Protego

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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 and became an executive officer in connection with our acquisition of Evercore Partners Mexico. Mr. Aspe is a principal, member of the investment committee and chairman of the advisory board of the Discovery Fund and EMP II, and he is also a principal and member of the investment committee of EMP III. Mr. Aspe serves as a director of Televisa S.A. de C.V. and the McGraw Hill Companies, and serves as a member of the advisory board of Marvin & Palmer. Mr. Aspe is a member of the board of the Carnegie Foundation and of CIDE in Mexico City. 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.

Richard I. Beattie is Senior Chairman of STB, a position he has held since 2004. Mr. Beattie has been a partner of STB since 1977 and had served as Chairman of the Executive Committee of that firm from 1991 to 2004. Mr. Beattie specializes in counseling boards of directors and non-management directors on governance issues, investigations and litigation involving corporate officers and other crisis situations. He also specializes in mergers and acquisitions and leveraged buyouts. Mr. Beattie also has a distinguished record of public service, including serving as General Counsel of the Department of Health, Education and Welfare during President Carter s administration and as a Senior Advisor to the Secretary of State for Reorganization Issues in 1997 during President Clinton s administration. From 1995 to 1997, Mr. Beattie served as President Clinton s Emissary for Cyprus. He is a member of the board of directors of Harley-Davidson, Inc. and Heidrick & Struggles International, Inc.

Mr. Beattie is also a member of the board of directors of the Carnegie Corporation and the National Women s Law Center, as well as a member of the Council on Foreign Relations, Vice Chairman of the Board of Overseers and Managers of Memorial Sloan-Kettering Cancer Center and Chairman of the Board of Managers of Memorial Hospital for Cancer and Allied Diseases. Mr. Beattie is also chairman of the board and founder of New Visions for Public Schools. Mr. Beattie joined STB in 1968 after graduating from the University of Pennsylvania Law School. Prior to law school, he served four years in the Marine Corps as a jet pilot after graduating from Dartmouth College in 1961.

Francois de Saint Phalle has been a private equity investor, financial advisor and investment banker for more than 35 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 AG. 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 is our Board s lead director, and was a corporate partner at STB from 1984 to 1998. Ms. Harris has extensive experience in general corporate and securities work, joint ventures, partnerships, acquisitions and dispositions. Her practice included an emphasis on media companies and joint ventures. While at STB, Ms. Harris also represented issuers and underwriters in public equity and debt transactions and in the

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development of new financial products. She was also a member of the new partners committee and co-chaired the personnel committee. Ms. Harris is a director of CIGNA Life Insurance Company of New York and chair of the outside directors and audit committee. Additionally, Ms. Harris is an adjunct professor of law at Ohio State University of Moritz College of Law, where she participates in their Distinguished Practitioners in Residence Program in Business Law. She is President Emeriti and a current member of the board of directors of New York Cares, a leading non-profit organization which creates and manages volunteer programs in New York City for over 1,200 agencies, non-profits and public schools.

Ms. Harris is a member of the Board of Trustees of Stanford University and serves on the Dean s Advisory Council of Stanford Law School. 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 the President s Economic Group, and associate director of the Office of Management and Budget. 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 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.

Robert B. Millard is currently Chairman of Realm Partners LLC. From 1976 until September 2008, Mr. Millard held various positions, including Managing Director at Lehman Brothers and its predecessors. Mr. Millard serves as the lead independent director of L-3 Communications Corporation. He also served as a director of Weatherford International Inc. until February 2012 and Gulfmark Offshore, Inc. until July 2013. In addition, he serves on the board of trustees of the MIT Corporation (Executive Committee) and is chairman of the MIT Investment Management Company. He is a member of the Council on Foreign Relations and serves on its Finance and Budget Committee.

Mr. Millard has an M.B.A. from the Harvard Business School and an S.B. from the Massachusetts Institute of Technology.

Ralph L. Schlosstein has served as our CEO and President since May 22, 2009, and prior to joining Evercore, was the CEO of HighView Investment Group, an alternative investment management firm. Prior to forming HighView in 2008, Mr. Schlosstein was for over 20 years the President of BlackRock, a publicly traded asset management firm. Mr. Schlosstein co-founded BlackRock in 1988, was a director, chaired BlackRock s management committee, and served on its executive committee and its investment committee. Prior to founding BlackRock in 1988, Mr. Schlosstein was a managing director in Investment Banking at Lehman Brothers. While at Lehman, Mr. Schlosstein started the firm s interest rate swap business and led its Mortgage and Savings Institutions Group. From 1977 to 1981, Mr. Schlosstein worked for the Federal government. Initially, he was deputy to the assistant secretary of the Treasury Department. In mid-1977, he became associate director of The White House Domestic Policy Staff where he was responsible for advising President Carter on urban policy, economic development and housing issues, as well as the Chrysler loan guarantee program. From 1974 to 1977, Mr. Schlosstein was an economist for the Congressional Joint Economic Committee.

Mr. Schlosstein is a member of the visiting board of overseers of the John F. Kennedy School of Government at Harvard University, a trustee of New Visions for Public Schools and a trustee of the Lincoln Center for the Performing Arts. Previously, Mr. Schlosstein was a director of Pulte Corporation, the nation s

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largest homebuilder, a trustee of Denison University, a trustee of Trinity School in New York City, a trustee of the American Museum of Natural History, and a trustee of The Public Theater in New York City. He earned a B.A. degree in economics, cum laude, from Denison University in 1972, and completed his coursework for a Masters of Public Policy from the Graduate School of Public and International Affairs at the University of Pittsburgh.

Qualifications of Nominees Considered by the Board

When considering whether director nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board to satisfy its oversight responsibilities effectively in light of our business and structure, the Nominating and Corporate Governance Committee and the Board focused primarily on the information discussed in each director s individual biography set forth above. In particular, with regard to Mr. Altman, the Board considered his position as a founder and his experience as CEO, his extensive knowledge of our industry and his investment banking and government experience prior to founding Evercore. With regard to Mr. Aspe, the Board considered his experience as a founder and CEO of Evercore Partners Mexico, which was and is involved in similar business lines as our U.S. operations, along with Mr. Aspe s reputation and stature in Mexico, Latin America generally and the United States, due to his senior level government experience and board experience with major multi-national corporations. With regard to Mr. Beattie, the Board considered his leadership experience at STB and his legal experience counseling boards on governance issues, his experience advising multi-national companies on a wide range of business transactions and his experience serving on other boards. With regard to Mr. de Saint Phalle, the Board considered his extensive experience in investment banking, private equity, corporate finance and the investment management industry and his experience with financial and accounting matters. With regard to Ms. Harris, the Board considered her legal experience representing investment banks and multi-national companies on a wide range of business transactions and corporate governance matters, evaluating and forming complex legal structures and arrangements with respect to acquisitions, joint ventures and mergers, and her director experience. With regard to Mr. Hessler, the Board considered his experience in executive level management at companies with complex multi-national operations, including service with multiple public companies, his board experience, his legal experience and his experience in government affairs, including having previously served as the U.S. Assistant Secretary of the Treasury for Economic Policy and as executive director of the President s Economic Group. With regard to Mr. Millard, the Board considered his extensive investment and financial management experience, including his leadership experience as the managing partner of Realm Partners LLC, his experience serving on other boards, and his experience with financial and compensation matters. With regard to Mr. Schlosstein, the Board considered his service as our CEO and President and his investment and financial management experience, including his leadership experience as the President and co-founder of BlackRock for over 20 years.

To find additional information on these directors, see **Related Person Transactions and Other Information**.

Board Recommendation

Our Board of Directors unanimously recommends a vote **FOR** the election of each of Roger C. Altman, Pedro Aspe, Richard I. Beattie, Francois de Saint Phalle, Gail B. Harris, Curt Hessler, Robert B. Millard and Ralph L. Schlosstein, each of whom has also been recommended by our 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 in your signed proxy card, the proxies named in the enclosed proxy card will be voted **FOR** the election of Messrs. Altman, Aspe, Beattie, de Saint Phalle, Hessler, Millard and Schlosstein 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.

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EXECUTIVE OFFICERS

Set forth below are biographical summaries of our executive officers as of April 16, 2014.

See **Proposal 1 Election of Directors** above for information about Messrs. Altman, Aspe and Schlosstein.

Adam B. Frankel (46), 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.

From 2006-2009, Mr. Frankel was a member of the board of directors and the compensation and audit committees of 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 Council on Foreign Relations, a member of the Board of Visitors of Stanford Law School, and a trustee at the Greenwich Academy and the Sesame Workshop. He has a B.A. from Brown University and a J.D. from Stanford Law School.

Andrew Sibbald (47), serves as CEO of Evercore Partners International. Mr. Sibbald was previously the co-founder, senior partner and a managing director of Lexicon, a leading U.K. independent investment banking advisory firm, which was acquired by us in August of 2011. Upon the closing of that acquisition, Mr. Sibbald became the CEO of our European Advisory business. Mr. Sibbald co-founded Lexicon in 2000. From 1997 to 2000, Mr. Sibbald served as a managing director of the Financial Institutions Group at Donaldson, Lufkin & Jenrette, where he led a team specializing in mergers and acquisitions in the financial institutions sector. From 1993 to 1997, he served as a Partner at The Phoenix Partnership, a corporate advisory and private equity business which was acquired by Donaldson, Lufkin & Jenrette in 1997. Prior to joining The Phoenix Partnership, he worked in the Financial Institutions Group at Chemical Bank and the Financial Institutions Group at Manufacturers Hanover.

Mr. Sibbald was a Non-Executive Director of Homeserve Plc between 2007 and 2011. Mr. Sibbald has a BSc (Hons) from Bristol University, U.K.

Robert B. Walsh (57), CFO, is responsible for our financial, tax, information technology and facilities functions and certain similar functions for our private equity funds. Mr. Walsh was appointed CFO in June 2007. Prior to joining us, Mr. Walsh was a senior partner at Deloitte, our independent registered public accounting firm, where he had been employed for the previous 27 years. At Deloitte, Mr. Walsh was responsible for managing Deloitte s relationship with a variety of leading financial services industry clients, served as deputy managing partner and was directly responsible for managing its national advisory services businesses. At Deloitte, Mr. Walsh did not have any responsibility for our account. Mr. Walsh received a Bachelor of Science degree from Villanova University. Mr. Walsh currently serves on the board of directors of New York Cares and IFA Insurance Company, a privately held property-casualty insurer, and is a trustee of the Oak Knoll School of the Holy Child.

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 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

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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 our review of copies of the reports received by us and written representations by these individuals that no other reports were required since January 1, 2013, except as previously disclosed, all such Section 16(a) filing requirements were met, except that one Form 4 was filed late on behalf of each of Messrs. Altman and Walsh in connection with each of their sale of shares of Class A common stock.

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RELATED PERSON TRANSACTIONS AND OTHER INFORMATION

Tax Receivable Agreement

In terms of individuals, limited partnership units in Evercore LP are held by current and former SMDs who provided services to our predecessor entities prior to our 2006 initial public offering, which includes Messrs. Altman, Aspe and Frankel. In addition, Mr. Schlosstein holds limited partnership units he acquired in connection with joining Evercore. Limited partnership units 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 Code effective for each taxable year in which an exchange of limited 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 limited 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.

In connection with our IPO we entered into a tax receivable agreement with certain of our current and former SMDs who were partners prior to our IPO, including Messrs. Altman, Aspe and Frankel, 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 retain the economic benefit of the remaining 15% of cash savings, if any, of the 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. In certain circumstances, we sold shares of Class A common stock in public offerings and used such cash consideration to acquire Evercore LP limited partnership units, which resulted in substantially similar rights and benefits under the tax receivable agreement as an exchange of Evercore LP limited partnership units for shares of Class A common stock.

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 SMDs 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.

As a result of the acquisition of Evercore LP limited partnership units since the IPO, certain SMDs 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 during 2013:

Name	Tax Receivable Payments During 2013
Roger C. Altman	$ 1,094,878
Adam B. Frankel	$ 46,760
Pedro Aspe	$ 128,165

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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 SMDs, including Messrs. Altman, Aspe and Frankel, upon exchange of limited partnership units of Evercore LP held by such SMDs. Under the registration rights agreement, such SMDs 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 SMDs will have the ability to exercise certain piggyback registration rights in connection with registered offerings requested by other SMDs or initiated by us.

Relationship with Our Private Equity Funds

Our Pre-IPO Funds

Prior to our IPO, Mr. Altman was awarded the right to receive a portion of the carried interest earned by the general partner of the ECP II private equity fund and Mr. Aspe was awarded the right to receive a portion of the carried interest earned by the general partner of the Discovery Fund. Following our reorganization in connection with the IPO, the general partners of these funds are no longer our consolidated subsidiaries, and we do not treat carried interest received from these entities by our employees as compensation.

However, Evercore LP, through its subsidiaries, is a non-managing member of the general partner of ECP II and is entitled to receive (1) 0% to 10% (depending on the particular fund investment) of the carried interest realized from ECP II and (2) gains (or losses) on investments made by ECP II based on the amount of capital in ECP II which is contributed to, or subsequently funded by, us. Under the terms of the acquisition agreement for Evercore Partners Mexico, Evercore is obligated to pay the partners that sold Evercore Partners Mexico 90% of the return proceeds and carried interest it receives from its investment in the general partner of the Discovery Fund. As a result, ECP II transactions involving Mr. Altman and Discovery Fund transactions involving Mr. Aspe are deemed to be Related Person Transactions given our continued interest in those funds.

Our Post-IPO Funds

Evercore LP, through its subsidiaries, is a non-managing member of the general partner of EMP II and EMP III, and is entitled to (i) 50% of the carried interest realized from EMP II and EMP III and (ii) as an indirect investor in EMP II and EMP III, gains (or losses) on investments made by EMP II and EMP III based on the amount of capital which is contributed to, or subsequently funded by, Evercore LP or its subsidiaries. For EMP II and EMP III, we will include as consolidated revenue all realized and unrealized carried interest earned by the general partners of EMP II and EMP III, although a portion of the carried interest is allocated to employees, including Mr. Aspe, and such amounts are recorded as compensation expense.

Carried interest entitles the general partners of EMP II and EMP III to a specified percentage of net investment gains that are generated on the capital invested by third-party investors in EMP II and EMP III. The general partners of each of EMP II and EMP III are entitled to a carried interest that allocates them 20% of the net investment gains realized on capital invested in EMP II and EMP III by third-party investors. Each of EMP II and EMP III includes a performance hurdle which requires them to return 8%, compounded annually, to third-party investors prior to the general partners receiving their 20% share of net profits realized by the third-party investors. The ultimate values of carried interest with respect to EMP II and EMP III 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, Mr. Aspe may receive additional carried interest payments in any fiscal year attributable to carried interest allocated in previous fiscal years (subject to achievement of a minimum investment return for our funds outside investors). For EMP II and EMP III, carried interest is allocated on a fund-wide basis rather than on an investment-by-investment basis, and the vesting of carried interest for EMP II and EMP III is tied to the formation of the fund and other vesting thresholds. No carried interest will be paid to employees until such

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time as the carried interest is actually received by the general partners of EMP II and EMP III. Carried interest for EMP II and EMP III is subject to vesting, generally over a period of four years, and may only be transferred under limited circumstances.

Transactions with our Private Equity Funds

Our investments in ECP II, the Discovery Fund and EMP II as of December 31, 2013 were as follows:

Private Equity Funds	Investments in Private Equity Funds
ECP II	$ 3,251,000
Discovery Fund	$ 5,015,000
EMP II	$ 11,125,000

The investment period has lapsed for ECP II, the Discovery Fund and EMP II.

Certain employees and current and former SMDs, including Messrs. Altman, Aspe, Frankel, Schlosstein and Walsh, have also invested (either directly or through estate planning vehicles) their own capital through the general partners or in side-by-side investments with our Private Equity Funds. These interests in the general partner of the Private Equity Funds and the side-by-side investments are not subject to management fees or carried interest. These investment opportunities have been available to our SMDs 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. Other than with respect to EMP III (which is discussed below), during 2013, Messrs. Altman s, Aspe s, Frankel s, Schlosstein s and Walsh s aggregate contributions to and receipt of proceeds or carried interest from our Private Equity Funds were in each case less than $120,000. For 2013, there were no payments in respect of carried interest received by the general partner of our Private Equity Funds.

Our executive officers have made (either directly or through estate planning vehicles) the following capital contributions and capital commitments to EMP III through the general partner during 2013, and have the following remaining unfunded capital commitments with respect to EMP III:

Name	Capital Commitment US ($)	Capital Contribution/Return of Capital US ($)	Remaining Unfunded Capital Commitments US ($)
Pedro Aspe	$ 1,000,000	($ 105,133)(1)	$ 638,553
Adam B. Frankel	$ 50,000	$ 18,072	$ 31,928
Ralph L. Schlosstein	$ 500,000	$ 180,723	$ 319,277
Robert B. Walsh	$ 110,000	$ 39,759	$ 70,241
Evercore	$ 1,000,000	($ 1,305,891)(1)	$ 638,553

(1) Each of Mr. Aspe and Evercore reduced their capital commitment and had capital returned to them as additional investors subsequently committed capital to EMP III and made capital contributions to EMP III.

Relationship with Trilantic

We formed a strategic alliance with Trilantic to pursue private equity investment opportunities with Trilantic and to collaborate on the future growth of Trilantic s business in 2010 and expanded our relationship on April 22, 2013 through a supplement agreement. As part of the original agreement and the supplement, we agreed to use commercially reasonable efforts to source investment opportunities for Trilantic IV and Trilantic V, and Trilantic agreed to use commercially reasonable efforts to refer to us mergers and acquisitions advisory services or restructuring advisory services from time to time with respect to selected portfolio companies of these Trilantic Funds.

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Pursuant to the original agreement, we issued 500,000 Evercore LP limited partnership units with a minimum redemption value of $16.5 million in exchange for a minority economic interest in Trilantic and the right to invest in Trilantic s current and future private equity funds, beginning with Trilantic Fund IV. In connection with the issuance of such limited partnership interests in Trilantic, we became a limited partner of Trilantic and are entitled to receive 10% of the aggregate amount of carried interest in respect of all of the portfolio investments made by Trilantic IV, up to $15 million. Our carrying value of our investment in Trilantic was approximately $14.1 million as of December 31, 2013, and the value of our investment in Trilantic IV was approximately $4.4 million. As part of the original agreement, Trilantic also agreed to pay an annual fee to us equal to $2 million per year for a period of five years as consideration for advisory and referral services to be performed by us. In addition, Trilantic offered all SMDs, and, in one case, Evercore, co-investment opportunities with Trilantic IV on a no-fee and no carry basis. In the one case where the co-investment opportunity was also offered to Evercore, during 2013, Mr. Schlosstein contributed $283,219 to such co-investment and the other executive officers aggregate contributions to and receipt of proceeds from such co-investment were in each case less than $120,000.

As part of and as of the date of the supplement agreement, Evercore agreed to commit $5 million of the total capital commitments of Trilantic V and issued one Class B share pursuant to Section 4(2) of the Securities Act, giving Trilantic the right to a number of votes on matters put to Class A common stockholders and Class B common stockholders that is equal to the number of Evercore LP limited partnership units that it holds. In October 2013, Evercore also released the transfer restrictions associated with the 500,000 Evercore LP limited partnership units held by Trilantic, which would have otherwise expired on February 10, 2015. Trilantic converted these units into shares of Class A common stock in October 2013.

Separately, our SMDs (either directly or through estate planning vehicles) have committed to invest up to $15 million in Trilantic s Fund V, with our executive officers investing and contributing (either directly or through estate planning vehicles) the following amounts in 2013 through an unaffiliated entity:

Executive Officers	Capital Commitment	Capital Contributions in 2013
Ralph L. Schlosstein	$ 3,448,125	$ 537,110
Robert B. Walsh	$ 562,000	$ 87,620
Adam B. Frankel	$ 100,000	$ 15,577
Total:	$ 4,110,125	$ 640,307

None of our executive officers received any proceeds from such investment in 2013.

We and our affiliates are passive investors and do not participate in the management of any Trilantic-sponsored funds.

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, 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.

Distributions

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 limited 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 the holders respective limited partnership units. We may, however, authorize a distribution to the

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partners of Evercore LP who hold vested and unvested limited partnership units in accordance with the percentages of their respective vested and unvested limited partnership units in the event of an extraordinary dividend, refinancing, restructuring or similar transaction.

The holders of limited partnership units in Evercore LP 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 limited partnership units. The Partnership Agreement provides 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 limited 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 limited 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 non-deductibility of certain expenses and the character of our income). If we pay dividends, our SMDs who hold limited partnership interests will be entitled to receive equivalent distributions pro-rata based on their limited partnership interests in Evercore LP, although these individuals will not be entitled to receive any such dividend-related distributions in respect of unvested limited partnership units. For 2013, Messrs. Altman, Aspe, Frankel and Schlosstein received $1,085,811, $199,721, $51,217 and $1,266,234, respectively, as dividend-related distributions on vested limited partnership units.

Vesting Provisions

As part of a larger overhaul of our equity arrangements to ensure better alignment between employee stockholders and other stockholders, all of our SMDs amended the Partnership Agreement on July 27, 2009. Unvested limited partnership units vested ratably on December 31, 2011, 2012 and 2013, so long as the equity holder was employed by us, Evercore LP or their affiliates on such dates. Accordingly, as of December 31, 2013, all limited partnership units have vested.

Transfer Restrictions

The Partnership Agreement was amended in 2009 and provides that Evercore LP vested limited partnership units are exchangeable for shares of our Class A common stock in 20% increments on each of December 31, 2009, 2010, 2011, 2012 and 2013, as long as the holder is still employed by us on such dates (with the exception of Messrs. Altman and Aspe, who will be able to transfer partnership units on such dates regardless of their employment status).

On October 23, 2013, the Board agreed to release the contractual transfer restrictions associated with 1,267,041 vested Evercore LP limited partnership units held by certain SMDs. The contractual transfer restrictions associated with such partnership units would have otherwise expired on December 31, 2013. The decision to permit such accelerated release of transfer restrictions was motivated in part by the desire to permit a more orderly disposition of securities over a longer period of time by the employees. The decision did not result in the vesting of any unvested equity and, given the relatively small difference in timing of the release of transfer restrictions, this decision did not have a negative effect on the retention of key employees. The Evercore LP limited partnership units that were released from contractual transfer restrictions include the following number of units for executive officers:

Executive Officers	Number of Evercore LP limited partnership units released from Transfer Restrictions on October 23, 2013
Roger Altman	298,794
Pedro Aspe	207,323
Adam B. Frankel	7,523

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Once the Evercore LP vested limited partnership units become exchangeable, holders of fully vested limited partnership units in Evercore LP may exchange these limited 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 general partnership unit registered in our name will automatically be cancelled by Evercore LP so that the number of general partnership units we hold at all times equals the number of shares of our Class A common stock then outstanding.

The transfer restrictions on the limited partnership units have been released other than with respect to (i) 1,391,466 limited partnership units held by Mr. Schlosstein, which are transfer restricted until May 21, 2014 (the release of such transfer restrictions will accelerate in certain circumstances, including, but not limited to, Mr. Schlosstein s termination due to his death or disability, upon a change of control of the Company, without cause, or upon his resignation for good reason (see **Compensation of our Named Executive Officers Employment Agreements and Equity Awards** for how cause and good reason are defined is this case) and (ii) 455,257 limited partnership units held by a former SMD, which are transfer restricted until August 14, 2014, in each case with limited exceptions for certain charitable donations.

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, pro-rata in respect of all vested Class A and B limited partnership units.

Acquisition of Lexicon

On August 19, 2011, we completed the acquisition of all of the outstanding partnership interests of Lexicon, in accordance with the Lexicon Agreement entered into on June 7, 2011, by and among us and the shareholders of Lexicon, including Mr. Sibbald. In addition to the cash consideration paid during 2011, Mr. Sibbald received 240,564 unvested restricted shares of Class A common stock in accordance with the Lexicon Agreement. Such shares vest and are delivered in substantially equal installments over a three-year period beginning on June 30, 2013. Upon vesting, such shares will be subject to transfer restrictions until the earlier of (i) the first anniversary of the relevant vesting date and (ii) the date of the first secondary offering by the Company following the relevant vesting date. However, on October 23, 2013, concurrently with the release of the transfer restrictions associated with 1,267,041 vested Evercore LP limited partnership units held by certain SMDs, the Board released the transfer restrictions on 63,567 of the 84,756 restricted shares held by Mr. Sibbald that vested on June 30, 2013. The transfer restrictions on these restricted shares otherwise would have been released on or before June 30, 2014. See **Compensation of our Named Executive Officers Options Exercised and Stock Vested in 2013** for a further discussion of the terms of these restricted shares.

Vesting and delivery of such shares will accelerate in certain circumstances, including, but not limited to, Mr. Sibbald s termination without cause, a qualifying retirement or upon a change of control. Under the Lexicon Agreement, a seller can be terminated for cause if he or she (1) is convicted of a criminal offense that is a felony or a misdemeanor crime involving dishonesty or deception; (2) commits a persistent material breach of the terms of the Evercore Partners International Deed and such persistent material breach causes Evercore to commit a material breach of the applicable rules and regulations of a governmental entity and such seller fails to remedy such material breach within a reasonable period of receiving a written warning from Evercore; (3) has his or her material licenses, authorizations or consents withdrawn by a governmental entity as a result of his or her deliberate breach of applicable rules and regulations; (4) is disqualified from holding office as a director under

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the Company Directors Disqualification Act 1986 as a result of his or her deliberate wrongdoing; or (5) following receipt of a written warning from the CEO of Evercore Partners International, has failed to remedy within 10 business days what the CEO of Evercore Partners International and a super majority of the sellers acting fairly, reasonably, on a fully informed basis and in good faith conclude was a deliberate and unreasonably continuous disregard of his or her fundamental obligation to commit time and effort to the performance of his or her duties pursuant to the Evercore Partners International Deed of such magnitude as to justify his or her summary dismissal.

In connection with the acquisition of Lexicon, Mr. Sibbald also entered into a Schedule of Terms with us. For a further discussion on Mr. Sibbald s Schedule of Terms, see **Compensation of our Named Executive Officers Employment Agreements and Equity Awards Schedule of Terms with Mr. Sibbald.**

Use of Corporate Aircraft

For security, safety and health reasons, our Board adopted a policy requiring our Executive Chairman and CEO to use a private aircraft for business air travel to the extent practical. As part of this policy, we entered into an aircraft dry lease agreement with an unaffiliated party.

While the primary use of the aircraft is for business purposes, because of the benefit afforded to Evercore in terms of security and productivity while traveling for personal reasons, Evercore entered into timesharing agreements with Messrs. Altman and Schlosstein to allow these individuals to lease the aircraft for personal use. Under such timesharing agreements, Messrs. Altman and Schlosstein must reimburse Evercore for the maximum amount of reimbursement allowed by applicable Federal Aviation Administration rules (this reimbursement amount includes enumerated direct costs such as fuel, crew travel expenses, landing fees, flight planning, and an additional amount equal to 100% of fuel costs). For 2013, Messrs. Altman and Schlosstein reimbursed Evercore $612,277 and $120,175, respectively, for their personal use of the aircraft. In addition, our Executive Chairman or CEO may invite family members or guests on a business flight without charge to him for these additional passengers, and, on limited occasions, we have allowed a business-related flight to land at an airport other than its destination to drop off or pick up a passenger for personal convenience without such change in destination being treated as an incremental cost.

Evercore calculated the aggregate incremental cost to Evercore for Messrs. Altman s and Schlosstein s personal use of the aircraft in 2013 by calculating the direct costs associated with personal flights (including, but not limited to, fuel, crew travel expenses, landing fees, flight planning, and hourly engine and parts maintenance program charges, as well as similar changes associated with deadhead or positioning flights in connection with personal flights). From this, it deducted the amount reimbursed by Messrs. Altman and Schlosstein under the timesharing arrangements. Excluded from the calculation of aggregate incremental costs are (i) fixed costs, which do not change based on usage, including, but not limited to, lease payments, management fees, insurance; and (ii) carriage of family members or guests on a business flight by the executive (since the carriage of such additional person is a benefit to the executive but does not add appreciably to the costs to Evercore for such flight). Based on this methodology, the amount reimbursed by each of Messrs. Altman and Schlosstein exceeded the aggregate incremental costs associated with their personal use of the aircraft.

Family Relationships

Mr. de Saint Phalle s step-son, who does not share a home with Mr. de Saint Phalle, is an employee of ours and was paid $461,110 for 2013 in compensation, which includes the grant date value of equity awards granted to him, and he also participates in investment opportunities available to other similarly situated employees.

Transactions with 5% Stockholders

Fidelity Management and Research Company is the beneficial owner of more than 5% of our outstanding common stock, and one of its affiliates is a client of Evercore s Institutional Equities business. In addition,

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another affiliate of Fidelity provides Evercore with recordkeeping, trustee and other services in connection with Evercore s 401(k) plan. From time to time, we may also purchase investment products sponsored by Fidelity affiliates in connection with our deferred cash award program, which program is further described under **Compensation of our Named Executive Officers Compensation Discussion and Analysis**. All transactions with Fidelity and its affiliates were arms-length transactions entered into in the ordinary course of business and fees paid to, and by, Evercore were based on the prevailing rates for non-related persons for the same services.

In addition, BlackRock is the beneficial owner of more than 5% of our outstanding common stock, and BlackRock and its affiliates are clients of Evercore s Advisory and Institutional Equities businesses. All transactions with BlackRock were arms-length transactions entered into in the ordinary course of business and fees paid to Evercore were based on the prevailing rates for non-related persons for the same services.

Transaction Between Evercore Wealth Management and Executive Officers

From time to time, certain executive officers and other affiliates of Evercore, their family members, and related charitable foundations may have investments in various Evercore Wealth Management investment vehicles or accounts. For certain types of products and services offered by Evercore Wealth Management, our executive officers and other affiliates of Evercore may receive discounts that are available to our employees generally. These products and services are offered and provided in the ordinary course of business on substantially the same terms as those prevailing at the time for comparable transactions for similarly situated customers and eligible employees.

Policy Regarding Transactions with Related Persons

Our Related Person Transaction Policy, which is available on our website at *www.evercore.com* under the Investor Relations link, requires that Related Person Transactions (defined below) must be approved or ratified by the Nominating and Corporate Governance Committee of the Board unless they have been deemed pre-approved. In determining whether to approve or ratify a Related Person Transaction, the Nominating and Corporate Governance Committee will take into account, among other factors it deems appropriate, whether the Related Person Transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the Related Person s interest in the transaction. Under the policy, certain Related Person Transactions are pre-approved, including routine commercial transactions in the ordinary course or transactions that are approved by other committees of the Board. A Related Person is any of our executive officers, directors or director nominees, any stockholder owning at least 5% of our stock, or any immediate family member of any of the foregoing persons. A Related Person Transaction means any financial transaction, arrangement or relationship or series of similar financial transactions, arrangements or relationships involving more than $120,000 in which Evercore is a participant and in which a Related Person has a direct or indirect material interest. All Related Person Transactions were approved in accordance with our Related Person Transaction Policy, other than those discussed under **Tax Receivable Agreement**; **Registration Rights Agreement**; **Relationship with our Private Equity Funds**; and **Evercore LP Partnership Agreement**, which were undertaken prior to the adoption of the policy.

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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 Bylaws, 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 and SEC 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. Under NYSE rules, directors who have relationships covered by one of five bright-line independence tests established by the NYSE may not be found to be independent. In addition, audit committee members are subject to heightened independence requirements under NYSE rules and Rule 10A-3 under the Exchange Act. Finally, beginning this year, NYSE rules adopted under Rule 10C-1 under the Exchange Act require that in affirmatively determining the independence of any director who will serve on the Compensation Committee, the Board must consider all factors specifically relevant to determining whether a director has a relationship to Evercore that is material to that director s ability to be independent from management in connection with the duties of a compensation committee member.

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. 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. 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 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 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 2% of that organization s consolidated gross revenues in its most recent fiscal year; and (3) relationships where a director is a current employee, or such director s immediate family member is a current executive officer, of another company that has made payments to, or received payment from, us 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 2% of the consolidated gross revenues of such other company.

Our Corporate Governance Principles 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.

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Evaluations of Director Independence

The Nominating and Corporate Governance Committee undertook its annual review of director independence and reviewed its findings with our Board. 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. Beattie, de Saint Phalle, Hessler and Millard and Ms. Harris are independent under NYSE rules and the categorical standards for director independence set forth in the Corporate Governance Principles. In reaching this determination, the Board considered the fact that Mr. Beattie is a partner of STB and Ms. Harris was formerly a partner at STB, which provides legal services to us and our affiliates. In reaching this conclusion with respect to Mr. Beattie and Ms. Harris, it was noted that in 2013 payments from us to STB were less than 1% of STB s revenues. In connection with Mr. Beattie, it was also noted that STB s partnership income attributed to payments from us in 2013 resulted in less than $10,000 in income to Mr. Beattie. In connection with Ms. Harris, it was also noted that Ms. Harris has not been an STB partner since 1998 and has never represented us or any of our affiliates. The Board also considered the fact that Mr. de Saint Phalle s step-son, who does not share a home with Mr. de Saint Phalle, is an employee of Evercore. The Board had previously determined Mr. Pritzker to be independent while he was a director.

Our Board has also determined that the members of the Audit Committee and Compensation Committee are also independent under the applicable NYSE and SEC rules mentioned above.

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

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 21, 2014 and the number of in-person and telephonic meetings held by each of those committees during 2013:

Director	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Richard I. Beattie.			
Francois de Saint Phalle	X	X	X
Gail B. Harris, Esq.	X		Chair
Curt Hessler	Chair	X	
Robert B. Millard		Chair	X

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.

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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 experience in executive level management at companies with complex multi-national operations, including service with multiple public companies, his experience as a director, and his experience in government affairs, including having previously served as the U.S. Assistant Secretary of the Treasury for Economic Policy and as executive director of the President s Economic Group.

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 Compensation Committee can delegate any or all of its responsibilities to a subcommittee of the Compensation Committee. For information on the Compensation Committee s processes and procedures for considering and determining executive and director compensation and the role of executive officers in determining and recommending the amount and form of such compensation, see **Director Compensation** and **Compensation of our Named Executive Officers**.

Compensation Committee Interlocks and Insider Participation

During the last fiscal year, each of Messrs. de Saint Phalle, Hessler, Millard and Pritzker served as members of our Compensation Committee, and no member of our Compensation Committee during fiscal 2013 was an employee or officer or former employee or officer of the Company or had any relationship requiring disclosure under Item 404 of Regulation S-K during fiscal 2013, except as described under **Related Person Transactions and Other Information**. 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) overseeing the evaluation of the Board, (3) developing and recommending the content of our Corporate Governance Principles and Code of Business Conduct and Ethics to our Board, and (4) 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; willingness to commit the necessary time; and whether the nominee assists in achieving a mix of members that represents a diversity of background

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and experience all to ensure an active Board whose members work well together and possess the collective knowledge and expertise required to maximize the effectiveness of the Board. Accordingly, although diversity may be a consideration in the Nominating and Corporate Governance Committee s process, the Nominating and Corporate Governance Committee and the Board do not have a formal policy with regard to the consideration of diversity in identifying director nominees. 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 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.

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 2013, our Board held six formal meetings, and our Board s standing committees held a total of 14 meetings (six Audit Committee, six Compensation Committee and two Nominating and Corporate Governance Committee meetings). Each of our directors attended more than 75% of the combined total number of Board meetings and meetings of the Board committees on which he or she served (during the periods that he or she served) other than Mr. Beattie who attended 63% of such meetings. Our policy is that all of our directors, absent special circumstances, should attend our Annual Meeting of Stockholders. All of our incumbent directors attended our 2013 Annual Meeting of Stockholders.

Role of the Office of Chairman of our Board

We have no fixed policy with respect to the separation of the offices of the Chairman of the Board and CEO. The Board believes that the separation of the offices of the Chairman of the Board and CEO is best decided on a case-by-case basis from time to time. However, with the appointment of Mr. Schlosstein to the position of CEO in 2009 and Mr. Altman s continued active involvement in our business, we felt it was appropriate to split the roles of Office of Chairman of the Board, which is currently held by Messrs. Altman and Aspe, and the role of CEO, which is currently held by Mr. Schlosstein. This division allowed us to recruit Mr. Schlosstein as our CEO, while simultaneously maintaining an appropriately influential role for Mr. Altman, our founder. In choosing to relinquish his duties as CEO to Mr. Schlosstein, Mr. Altman has enabled our operations to continue to be led by a highly experienced and talented executive, and Mr. Altman is now able to devote more of his own energies to building and sustaining key business relationships. Under the guidance of the Nominating and Corporate

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Governance Committee, each year the Board reviews the structure of our Board and its committees as a part of its annual self-evaluation process and, as part of that process, considers, among other things, issues of structure and leadership. The Board is satisfied that its current structure and processes are appropriate.

Executive Sessions and Lead Director

Our Corporate Governance Principles require our non-management directors, all of whom are also independent under applicable regulations and our Corporate Governance Principles, to have at least one meeting per year without management present. We complied with this requirement in 2013. In order to facilitate communications among non-management directors on the one hand and management on the other hand, Ms. Harris was selected to serve as the lead director.

Oversight of Risk Management

We are exposed to a number of risks, and we regularly identify and evaluate these risks and develop plans to manage them effectively. The Audit Committee is charged with a majority of the risk oversight responsibilities on behalf of the Board, our Compensation Committee is charged with the oversight responsibility related to our compensation programs and the Nominating and Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities with respect to the management of risks associated with board organization, membership and structure and succession planning for our directors. Each of our business unit leaders is responsible for various aspects of risk management associated with their business, and our executive officers also have the primary responsibility for enterprise-wide risk management. Our CFO and General Counsel work closely with members of senior management, including our accounting staff, our internal audit department and our compliance department to monitor and manage risk. The CFO and our General Counsel both report directly to our CEO and meet with the Audit Committee at least four times a year in conjunction with a review of our quarterly and annual periodic SEC filings to discuss important risks we face, highlighting any new risks that may have arisen since they last met. Our CFO and General Counsel update our Audit Committee as to changes in our risks on a periodic basis. In addition, all non-management members of the Board are invited to attend all committee meetings, regardless of whether the individual sits on the specific committee. Outside of formal meetings, Board members have regular access to senior executives, including our CFO and General Counsel.

Communicating with the Board

Interested parties may communicate directly with our Board, our non-management directors or an individual director by writing to our Corporate Secretary and specifying whether such communication should be addressed to the attention of (1) the Board as a whole, (2) non-management directors as a group, or (3) 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

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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.

Code of Business Conduct and Ethics

We have a Code of Business Conduct and Ethics applicable to all of our employees, including our CEO, our CFO, our Controller (or persons performing similar functions) and 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, or 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.

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DIRECTOR COMPENSATION

Our policy is not to pay director compensation to directors who are also our employees. For non-management directors, our policy is to grant a one-time award of RSUs with a value of $50,000 upon his or her initial appointment to the Board, which vest on the second anniversary of the grant date. We also provide for an annual retainer of $70,000, payable, at the director s option, either 100% in cash or 50% in cash and 50% in shares of Class A common stock. In addition, each of our non-management directors receives an annual grant of RSUs with a value of $40,000 which vest on the first anniversary of the grant date. It is also our policy to provide for the chair of the Audit Committee to receive 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. For administrative ease in dealing with our transfer agent and our stock plan administrator, equity awards that would otherwise result in fractional shares are rounded up to the nearest whole share.

For 2013, we granted 6,348 RSUs under our Plan to our non-management directors, which consisted of 1,058 RSUs for each non-management director on June 19, 2013 in connection with the annual grant to our directors, all of which were unvested as of December 31, 2013. The following table provides summary information concerning the compensation of our non-management directors for services rendered to us during 2013.

Director Compensation in 2013

Name	Fees Earned or Paid in Cash ($)	Stock Awards(1) ($)	Total ($)
Richard I. Beattie	70,000	43,161	113,161
Francois de Saint Phalle	70,000	43,161	113,161
Gail B. Harris	70,000	43,161	113,161
Curt Hessler	80,000	43,161	123,161
Robert B. Millard	70,000	43,161	113,161
Anthony N. Pritzker	70,000	43,161	113,161

(1) The amounts reflected in the Stock Awards column represent the grant date fair value of the awards made during 2013, as computed in accordance with FASB ASC Topic 718. The grant date fair value of the awards is based on the average of the high and low trading price of the Class A common stock on the grant date. As of December 31, 2013, Mr. Millard owned 3,269 unvested RSUs and each of Messrs. Beattie, de Saint Phalle, Hessler and Pritzker and Ms. Harris owned 1,058 unvested RSUs.

In 2011, our Board adopted equity ownership guidelines that prohibit a non-management director from selling or donating Company shares unless, after such sale or donation, he or she owns shares of Class A Common Stock, including vested RSUs awarded in connection with service on the Board, shares beneficially owned by his or her immediate family members residing in the same household and shares held in trust for the benefit of the director or his or her immediate family members, with a value equal to or greater than three times the director s most recently paid annual cash retainer. Compliance with these guidelines may be waived, at the discretion of our Nominating and Corporate Governance Committee, if compliance would create severe hardship for a non-management director or prevent him or her from complying with a court order. It is expected that these instances will be rare and, in these cases, our Nominating and Corporate Governance Committee will develop alternative ownership guidelines that reflect the intent of these guidelines and the director s personal circumstances. Based on the stock price as of the record date, all of our non-management directors have satisfied the ownership thresholds established by these guidelines.

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COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

The following discussions and tables provide summary information concerning compensation for our NEOs, who for 2013 are: Messrs. Altman, Aspe, Schlosstein, Sibbald and Walsh.

Compensation Discussion and Analysis

Performance Highlights. In setting NEO compensation for 2013, our independent Compensation Committee considered the strategic and adjusted pro forma financial accomplishments achieved in 2013. The following are highlights of the Company s 2013 U.S. GAAP performance:

TSR: 102% in the last year, 90% over the past three years and 443% over the past five years, outperforming the market

Repurchases: We repurchased 2.5 million shares and Evercore LP limited partnership units during the year, returning $128.2 million of cash to stockholders, including dividends, and more than offsetting the dilutive effects of

TSR Compared to the Market			
	One Year[1]	Three Years[1]	Five Years[1]
Evercore	**102%**	**90%**	**443%**
S&P 500	32%	57%	128