

1. Executive Summary

The **2006 Risk Talent Associates Professional Compensation Survey – Risk Consulting** demonstrates modest average growth of 5.3% in both total compensation and salaries between 2004 and 2005 for risk consulting professionals. Growth in total compensation is highest at 9.2% for mid-level executives with 7-15 years of experience, 8.5% for those executives with 0-6 years of experience, and flat for the most senior bracket with 16 or more years of experience. Consulting remains an attractive career opportunity to learn a broad range of skills and stay abreast of industry best practices in risk management and compliance.

Over 130 professionals participated in the survey, with approximately 60% of survey respondents representing large consulting firms and 40% representing firms with a risk specialty.

Figure 1: Total Compensation, Salary and Bonus by Years of Experience (US Dollars)

CONSULTING	% Resp	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2004	2005	2004	2005	2004	2005	2004	2005
0-6 years	27%	\$ 108,000	\$ 118,000	\$ 100,000	\$ 105,000	\$ 8,000	\$ 13,000	\$ 6,000	\$ 9,000
7-15 years	38%	\$ 226,000	\$ 249,000	\$ 170,000	\$ 186,000	\$ 42,000	\$ 48,000	\$ 14,000	\$ 15,000
16+ years	34%	\$ 457,000	\$ 457,000	\$ 255,000	\$ 260,000	\$ 105,000	\$ 110,000	\$ 97,000	\$ 87,000

Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand. Notes: Percentage of overall respondents indicated by "% Resp". Insufficient data reported as "**".

Approximately 24% of survey respondents reported changing jobs within the last two years, compared to 25-30% in salary surveys conducted by Risk Talent Associates in other segments of the risk industry. Of those who did change jobs, two-thirds came from investment and commercial banking, as well as the energy and technology/software industries, while the remaining one-third moved from other consulting firms

2. Survey Shows Consistent Increases in Total Compensation Across Titles

Growth in total compensation averages 5.3% but varies according to job title at risk consulting firms. Consultants report the highest growth rate at 13%, followed by Managers, Principals and Directors at 9%.

Figure 2: Total Compensation, Salary and Bonus by Title (US Dollars)

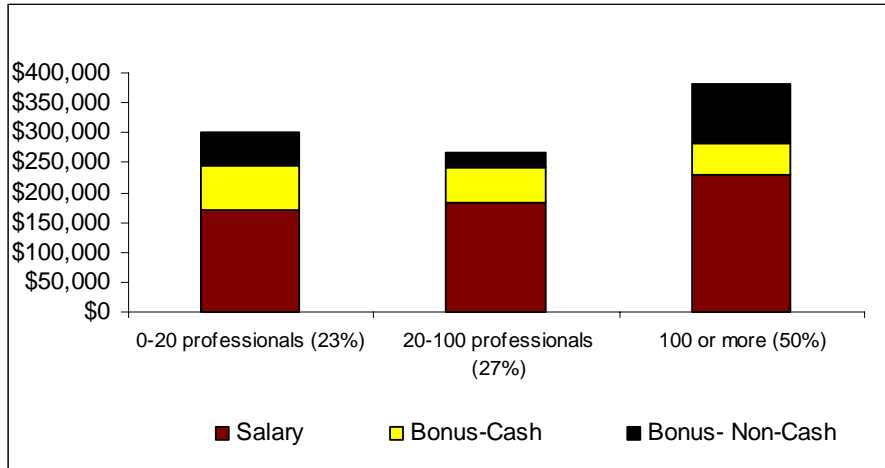
CONSULTING	% Resp	Total Comp		Salary		Bonus-Cash		Bonus- Non-Cash	
		2004	2005	2004	2005	2004	2005	2004	2005
Associate/Analyst	13%	\$ 100,000	\$ 102,000	\$ 85,000	\$ 85,000	\$ 15,000	\$ 17,000	**	**
Consultant	19%	\$ 133,000	\$ 152,000	\$ 120,000	\$ 134,000	\$ 13,000	\$ 18,000	**	**
Manager/Principal	22%	\$ 150,000	\$ 165,000	\$ 135,000	\$ 145,000	\$ 15,000	\$ 20,000	**	**
Director	11%	\$ 210,000	\$ 230,000	\$ 160,000	\$ 167,000	\$ 50,000	\$ 63,000	**	**
VP/SVP	5%	\$ 232,000	\$ 238,000	\$ 180,000	\$ 183,000	\$ 52,000	\$ 55,000	**	**
Managing Director	5%	\$ 304,000	\$ 324,000	\$ 212,000	\$ 234,000	\$ 92,000	\$ 90,000	**	**
CRO	8%	\$ 450,000	\$ 455,000	\$ 290,000	\$ 305,000	\$ 160,000	\$ 150,000	**	**
Partner/President	16%	\$ 512,000	\$ 550,000	\$ 340,000	\$ 354,000	\$ 172,000	\$ 196,000	**	**

Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars and rounded to nearest thousand. Notes: Percentage of overall respondents indicated by "% Resp". Insufficient data reported as "**". Abbreviations: Vice President (VP), Senior Vice President (SVP), Chief Risk Officer (CRO).

3. Survey Reflects Higher Increases in Total Compensation at Largest Companies

Risk professionals at large consulting firms with risk management practices such as Deloitte Consulting, Ernst & Young and Price Waterhouse Coopers, have the highest overall compensation and the highest growth rate of 14% between 2004 and 2005. This compares to 3% growth at firms with 20-100 professionals in risk management, and 7% growth at firms with 20 or less risk professionals. Higher non-cash bonuses at the largest consulting companies are the reason behind this trend.

Figure 3: 2005 Total Compensation, Salary and Bonus by Size of Company (US Dollars)

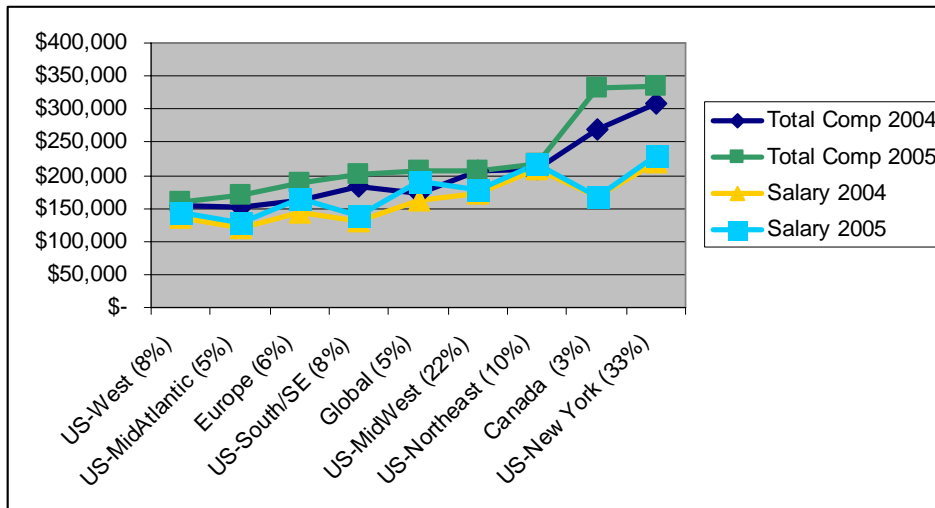


Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars.
Note: Percentage of overall respondents reported in brackets “(%)”

4. Highest Compensated Respondents Work in New York City

Most survey respondents work in the United States; with the one-third based in New York City reporting the highest total compensation packages regionally.

Figure 4: Total Compensation, Salary and Bonus by Geography (US Dollars)

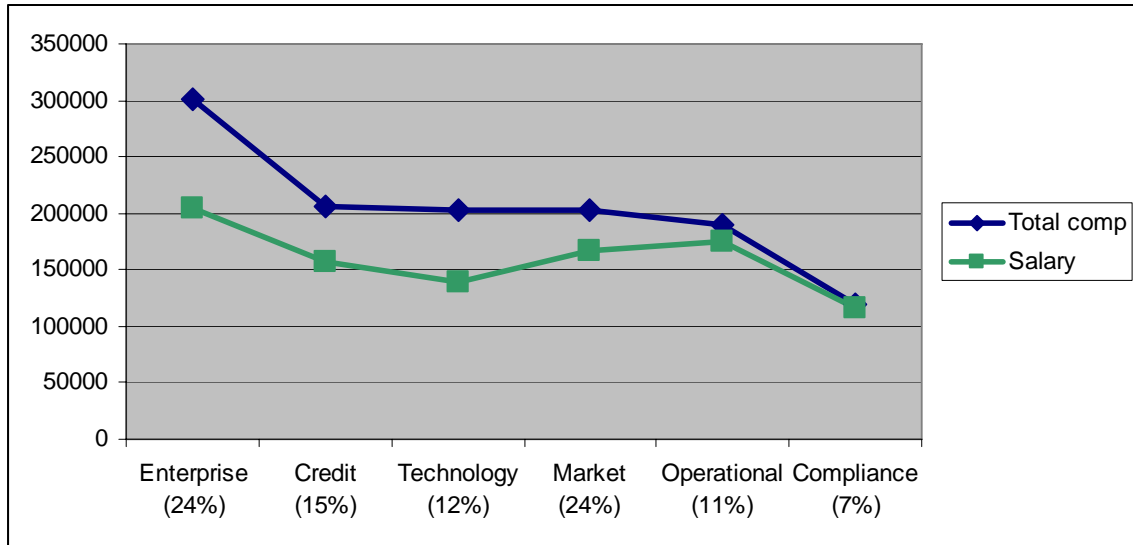


Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars.
Notes: Percentage of overall respondents indicated by “(%)”.

5. Enterprise Risk Professionals Top Compensation

Professionals who focus on enterprise risk make more in total compensation and salary than those who focus on credit risk, risk technology, market risk, operational risk, and financial compliance.

Figure 5: 2005 Total Compensation, Salary and Bonus by Risk Type (US Dollars)



Source: Risk Talent Associates Salary Survey 2006. All figures in US Dollars.
 Notes: Percentage of overall respondents indicated by “(%)”.

6. Survey Methodology

The **2006 Risk Talent Associates Professional Compensation Survey – Risk Consulting** was conducted during June 2006 using Survey Monkey Internet survey software. E-mail invitations were sent to risk consulting professionals in the Risk Talent Associates corporate database. The survey collected 2005 and 2004 salary, cash and non-cash compensation (such as stock, options, and other non-cash compensation) levels. Survey respondents were asked to identify their years of experience, title, type of risk focus (market, credit, operational, risk technology and financial compliance), geographic location, and size (based on the number of risk professionals in their organization).

About Risk Talent Associates

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

For more information, contact:

Michael Woodrow
President
Risk Talent Associates
212-253-2353
mwoodrow@risktalent.com

For media inquiries, contact:

Daniel Keppie
Public Relations
Risk Talent Associates
613-323-3655
dkeppie@risktalent.com

©2006 Risk Talent Associates LLC