Evercore Partners Inc.
Form S-3
August 24, 2007

**As filed with the Securities and Exchange Commission on August 24, 2007**

**Registration No. 333-**

# UNITED STATES

# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM S-3

# REGISTRATION STATEMENT

***UNDER***

***THE SECURITIES ACT OF 1933***

# EVERCORE PARTNERS INC.

**(Exact name of Registrant as specified in its charter)**

| **Delaware** | **6199** | **20-4748747** |
|---|---|---|
| **(State or other jurisdiction of incorporation or organization)** | **(Primary Standard Industrial Classification Code Number)** | **(I.R.S. Employer Identification No.)** |

**55 East 52nd Street**

**38th Floor**

**New York, NY 10055**

**Telephone: (212) 857-3100**

**(Address, including zip code, and telephone number, including area code, of Registrant s principal executive offices)**

**Adam B. Frankel, Esq.**

**Senior Managing Director and**

**General Counsel**

**Evercore Partners Inc.**

**55 East 52nd Street**

**38th Floor**

**New York, NY 10055**

**Telephone: (212) 857-3100**

**(Name, address, including zip code, and telephone number,**

**including area code, of agent for service)**

*Copies to:*

**Joshua Ford Bonnie, Esq.**

**Simpson Thacher & Bartlett LLP**

**425 Lexington Avenue**

**New York, NY 10017-3954**

**Telephone: (212) 455-2000**

**Facsimile: (212) 455-2502**

Approximate date of commencement of the proposed sale of the securities to the public: **From time to time after this registration statement becomes effective.**

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. ¨

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. ¨

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. ¨

**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to Be Registered | Amount to Be Registered(1) | Proposed Maximum Offering Price Per Unit(2) | Proposed Maximum Aggregate Offering Price(2) | Amount of Registration Fee |
|---|---|---|---|---|
| Class A common stock, par value $0.01 per share | 20,193,897 | $22.21 | $448,506,452 | $13,769 |

(1) This Registration Statement registers 20,193,897 shares of Class A common stock of Evercore Partners Inc. issuable upon exchange of an equivalent number of partnership units of Evercore LP. This Registration Statement also relates to such additional shares of Class A common stock of Evercore Partners Inc. as may be issued with respect to such shares of Class A common stock by way of a stock dividend, stock split or similar transaction.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act based upon the average of the high and low per share prices of Class A common stock of Evercore Partners Inc. as reported on the New York Stock Exchange on August 20, 2007.

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**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

Subject to Completion, dated August 24, 2007

**The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

Prospectus

# 20,193,897 Shares

# Class A Common Stock

Evercore Partners Inc. may issue from time to time up to 20,193,897 shares of Class A common stock to holders of Evercore LP partnership units upon exchange of up to an equal number of such partnership units. We are a public company organized under the laws of Delaware and the sole general partner of Evercore LP, a Delaware limited partnership. The 20,193,897 partnership units of Evercore LP were issued in our reorganization that took place in August 2006, prior to the initial public offering of the Class A common stock.

We are registering the issuance of our Class A common stock to permit holders of Evercore LP partnership units who exchange their partnership units to sell without restriction in the open market or otherwise any of our shares of Class A common stock that they receive upon exchange. However, the registration of our Class A common stock does not necessarily mean that any holders will exchange their Evercore LP partnership units, which exchanges are subject to the transfer restrictions set forth in the partnership agreement of Evercore LP. We will not receive any cash proceeds from the issuance of any of our shares of Class A common stock upon an exchange of Evercore LP partnership units, but we will acquire the Evercore LP partnership units exchanged for shares of our Class A common stock that we issue to an exchanging holder.

Our Class A common stock is listed on the New York Stock Exchange under the symbol EVR. The last reported sale price of the Class A common stock on August 23, 2007 was $22.80 per share.

***Investing in our Class A common stock involves risks. See Risk Factors beginning on page 2.***

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

The date of this prospectus is , 2007

**TABLE OF CONTENTS**



We have not authorized anyone to provide you with information or to make any representations about anything not contained in this prospectus or the documents incorporated by reference in this prospectus. You must not rely on any unauthorized information or representations. We are offering to sell, and seeking offers to buy, only our shares of Class A common stock covered by this prospectus, and only under circumstances and in jurisdictions where it is lawful to do so. The information contained or incorporated by reference in this prospectus is current only as of its date, regardless of the time and delivery of this prospectus or of any sale of the shares.

You should read carefully the entire prospectus, as well as the documents incorporated by reference in the prospectus, before making an investment decision.

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In this prospectus, references to Evercore , the Company , we , us and our refer to Evercore Partners Inc., a Delaware corporation, and its consolidated subsidiaries. Unless the context otherwise requires, references to (1) Evercore Partners Inc. refer solely to Evercore Partners Inc., and not to any of its consolidated subsidiaries and (2) Evercore LP refer solely to Evercore LP, a Delaware limited partnership, and not to any of its consolidated subsidiaries. References to the IPO refer to our initial public offering on August 10, 2006 of 4,542,500 shares of our Class A common stock, including shares issued to the underwriters of the IPO pursuant to their election to exercise in full their overallotment option.

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, or the SEC, using a shelf registration process. Under the shelf registration process, we may offer from time to time up to an aggregate of 20,193,897 shares of Class A common stock.

**EVERCORE PARTNERS**

Evercore is the leading investment banking boutique in the world based on the dollar volume of announced worldwide merger and acquisition ( M&A ) transactions on which we have advised since 2002. When we use the term investment banking boutique, we mean an investment banking firm that directly or through its affiliates does not underwrite public offerings of securities or engage in commercial banking activities. We provide advisory services to prominent multinational corporations on significant mergers, acquisitions, divestitures, restructurings and other strategic corporate transactions. Evercore also includes a successful investment management business through which we manage private equity funds and public securities for sophisticated institutional investors. We serve a diverse set of clients around the world from our offices in New York, Los Angeles, San Francisco, London, Mexico City and Monterrey.

Evercore Partners Inc. was incorporated in Delaware on July 21, 2005. Our principal executive offices are located at 55 East 52nd Street, 38th Floor, New York, New York 10055, and our telephone number is (212) 857-3100.

## RISK FACTORS

*The exchange of your Evercore LP partnership units for shares of our Class A common stock involve various risks. You should carefully consider each of the risks described below and all of the other information included or incorporated by reference in this prospectus when exchanging your Evercore LP partnership units for shares of our Class A common stock.*

**Summary of Risks Related to Our Business**

Difficult market conditions can adversely affect our business in many ways, including reducing the volume of the transactions involving our advisory business and reducing the value or performance of the investments made by our private equity funds or traditional asset management business, which, in each case, could materially reduce our revenue or income.

We depend on Mr. Altman, Mr. Beutner and the other members of our Management Committee, including Mr. Aspe, Mr. Mestre, Mr. Taylor and other key personnel, and the loss of their services would have a material adverse effect on us.

Our transition to a corporate structure may adversely affect our ability to recruit, retain and motivate our Senior Managing Directors and other key employees, which in turn could adversely affect our ability to compete effectively and to grow our business.

We have experienced rapid growth over the past several years, which may be difficult to sustain and which may place significant demands on our administrative, operational and financial resources.

If we are unable to consummate or successfully integrate additional acquisitions or joint ventures, we may not be able to implement our growth strategy successfully.

Our inability to integrate acquired businesses successfully or to realize the anticipated cost savings and other benefits could have adverse consequences to our business.

Our revenue and profits are highly volatile, which may make it difficult for us to achieve steady earnings growth on a quarterly basis and may cause the price of our Class A common stock to decline.

A general decline in the media or telecommunications sectors could have an adverse effect on our net revenue.

Our management has identified material weaknesses in our internal control over financial reporting; failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act of 2002 ( Section 404 ) could have a material adverse effect on our business and stock price.

Employee misconduct, which is difficult to detect and deter, could harm us by impairing our ability to attract and retain clients and subjecting us to significant legal liability and reputational harm.

The financial services industry faces substantial litigation risks, and we may face damage to our professional reputation and legal liability if our services are not regarded as satisfactory or for other reasons.

Compliance failures and changes in regulation could adversely affect us.

**Summary of Risks Related to Our Advisory Business**

A majority of our revenue is derived from advisory fees, which are not long-term contracted sources of revenue and are subject to intense competition, and declines in our advisory engagements could have a material adverse effect on our financial condition and operating results.

A high percentage of our net revenue is derived from a small number of clients and the termination of any one advisory engagement could reduce our revenue and harm our operating results.

If the number of debt defaults, bankruptcies or other factors affecting demand for our restructuring advisory services declines, or we lose business to new entrants into the restructuring advisory business that are no longer precluded from offering such services due to recent changes to the U.S. Bankruptcy Code, our restructuring advisory business revenue could suffer.

We face strong competition from other financial advisory firms, many of which have the ability to offer clients a wider range of products and services than we can offer, which could cause us to fail to win advisory mandates and subject us to pricing pressures that could materially adversely affect our revenue and profitability.

**Summary Risks Relating to Our Investment Management Business**

If the investments we make on behalf of our funds perform poorly we will suffer a decline in our investment management revenue and earnings, we may be obligated to repay certain incentive fees we have previously received to the third party investors in our funds, and our ability to raise capital for future funds may be adversely affected.

A portion of our investment management activities involve investments in relatively high-risk, illiquid assets, and we may lose some or all of the principal amount we invest in these activities or fail to realize any profits from these activities for a considerable period of time.

Valuation methodologies for certain assets in our funds can be subject to significant subjectivity and the values of assets established pursuant to such methodologies may never be realized, which could result in significant losses for our funds.

Difficult market conditions can reduce the value or performance of the assets we manage in our investment management business, which, in each case, could materially reduce our revenue or income and adversely affect our financial position.

The investment management business is intensely competitive.

The limited partners of the private equity funds we manage may terminate their relationship with us at any time.

The time and attention that our Senior Managing Directors and other employees devote to monetizing the investments of one of our investment management funds, Evercore Capital Partners LP and its affiliates, and one of our private equity funds, Evercore Venture Partners LP, will not financially benefit us and may reduce the time and attention these individuals devote to our business. The time and attention that these individuals devote to managing our other investment management fund, Evercore Capital Partners II LP, and the other of our private equity funds, Discovery America I, LP, may not be as profitable to us as other business activities and opportunities to which they might otherwise have devoted their time and attention.

**Summary of Risks Related to Our International Operations**

Our recent acquisitions of our Mexican and English subsidiaries may adversely affect our business.

Fluctuations in foreign currency exchange rates could adversely affect our results of operations**.**

Adverse economic conditions in Mexico, including interest rate volatility, may result in a decrease in Protego s revenue.

Political events in Mexico, including a change in state and municipal political leadership, may result in disruptions to Protego s business operations and adversely affect its revenue.

The cost of compliance with international employment, labor, benefits and tax regulations may adversely affect our revenue and hamper our ability to expand internationally.

**Summary of Risks Related to Our Organizational Structure**

Our only material asset is our interest in Evercore LP, and we are accordingly dependent upon distributions from Evercore LP to pay dividends and taxes and other expenses.

We are required to pay our Senior Managing Directors for most of the benefits relating to any additional tax depreciation or amortization deductions we may claim as a result of the tax basis step-up we receive in connection with exchanges of Evercore LP partnership units.

If Evercore Partners Inc. were deemed an investment company under the Investment Company Act of 1940 as a result of its ownership of Evercore LP, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

**Summary of Risks Related to Ownership of Our Class A Common Stock**

Control by our Senior Managing Directors of the voting power in Evercore Partners Inc. may give rise to conflicts of interests.

Our share price may decline due to the large number of shares eligible for future sale and for exchange.

The market price of our Class A common stock may be volatile, which could cause the value of our Class A common stock to decline.

Anti-takeover provisions in our charter documents and Delaware law could delay or prevent a change in control.

For a more detailed discussion of these risk factors, see the information under Item 1A Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2006, as such information may be amended or supplemented in subsequently filed Quarterly Reports on Form 10-Q or Annual Reports on Form 10-K.

**DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus contains or incorporates by reference forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which reflect our current views with respect to, among other things, our operations and financial performance. In some cases, you can identify these forward-looking statements by the use of words such as outlook , believes , expects , potential , continues , may , will , should , seeks , approximately , predicts , intends , plans , estimates , version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties.

Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. All statements other than statements of historical fact are forward-looking statements and are based on various underlying assumptions and expectations and are subject to known and unknown risks, uncertainties and assumptions, and may include projections of our future financial performance based on our growth strategies and anticipated trends in Evercore s business. We believe these factors include, but are not limited to, those described under Risk Factors . These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included or incorporated by reference in this prospectus. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

We operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for our management to predict all risks and uncertainties, nor can management assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

## USE OF PROCEEDS

We will not receive any cash proceeds from the issuance of any shares of our Class A common stock pursuant to this prospectus, but we will acquire the Evercore LP partnership units exchanged for the shares of our Class A common stock that we may issue to an exchanging holder.

## EXCHANGE OF EVERCORE LP PARTNERSHIP UNITS

Subject to the transfer restrictions set forth in the Amended and Restated Limited Partnership Agreement of Evercore LP, holders of vested partnership units in Evercore LP (other than Evercore Partners Inc.) may exchange those 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. Notwithstanding the foregoing, no holder of Evercore LP partnership units will be entitled to exchange such units for shares of Class A common stock if such exchange would be prohibited under applicable federal or state securities laws or regulations.

In order to exercise its exchange rights, an Evercore LP partnership unit holder must provide written notice to Evercore Partners Inc. that such holder desires to exchange a stated number of partnership units into an equal number of shares of Class A common stock. This written notice must be accompanied by instruments of transfer to Evercore Partners Inc., in form satisfactory to Evercore Partners Inc. and its transfer agent, duly executed by the partnership unit holder or its duly authorized attorney and transfer tax stamps or funds therefor if such shares will be issued in a name other than that of the holder of the partnership units exchanged. Delivery of the written notice and instruments of transfer must be made during normal business hours to the principal executive offices of Evercore Partners Inc. or its transfer agent.

**CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS**

The following summary describes certain United States federal income tax consequences of the exchange of Evercore LP partnership units for shares of Evercore Partners Inc. Class A common stock and the tax consequences of the ownership and disposition of such shares as of the date hereof. Except where noted, this summary deals only with partnership units held as capital assets held by United States Holders.

As used herein, the term United States Holder means a holder of a partnership unit that is for United States federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation (or other entity treated as a corporation for United States federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to United States federal income taxation regardless of its source; or
- a trust if it (1) is subject to the primary supervision of a court within the United States and one or more United States persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable United States Treasury regulations to be treated as a United States person.

A Non-U.S. Holder is an owner (other than a partnership) that is not a United States Holder.

This summary does not represent a detailed description of the United States federal income tax consequences applicable to you if you are subject to special treatment under the United States federal income tax laws, including if you are:

- a dealer in securities or currencies;
- a financial institution;
- a regulated investment company;
- a real estate investment trust;
- an insurance company;
- a tax-exempt organization;
- a person holding our partnership units as part of a hedging, integrated or conversion transaction, a constructive sale or a straddle;
- a trader in securities that has elected the mark-to-market method of accounting for your securities;

a person liable for alternative minimum tax;

a person who owns 10% or more of our voting stock;

a partnership or other pass-through entity for United States federal income tax purposes;

a person that received its partnership units as compensation; or

a person whose functional currency is not the United States dollar.

The discussion below is based upon the provisions of the Internal Revenue Code of 1986, as amended (the Code ), and regulations, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be replaced, revoked or modified so as to result in United States federal income tax consequences different from those discussed below.

If a partnership holds the partnership units, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership holding the partnership units, you should consult your tax advisors.

This summary does not contain a detailed description of all the United States federal income tax consequences to you in light of your particular circumstances and does not address the effects of any state, local or non-United States tax laws. **If you are considering the exchange of your partnership units for shares of Class A common stock, you should consult your own tax advisors concerning the United States federal income tax consequences to you in light of your particular situation as well as any consequences arising under the laws of any other taxing jurisdiction.**

**Taxation of the Exchange**

***United States Holders***

For United States federal income tax purposes, the exchange of partnership units for Class A common stock will be a taxable event. You will recognize gain or loss on such exchange to the extent that the fair market value of the shares of Class A common stock (plus cash, if any, and the relief of your share of any liabilities of Evercore LP) exceeds your adjusted basis in the partnership units immediately before the exchange. Any gain will be taxed as capital gain except to the extent that the amount received attributable to your share of unrealized receivables of Evercore LP exceeds your basis attributable to those assets, which will be taxed as ordinary income. Unrealized receivables include, to the extent not previously included in Evercore LP s income, any rights to payment for services rendered or to be rendered. Unrealized receivables also include amounts that would be subject to recapture as ordinary income (for example, recapture of depreciation with respect to property) if Evercore LP had sold its assets at their fair market value at the time of the exchange. Any loss resulting from such exchange will be taxed as capital loss. Capital gain of individuals derived with respect to capital assets held for more than one year are generally taxed at reduced rates for gains recognized before January 1, 2011. The deductibility of capital losses is subject to limitations.

Your basis in the partnership units received in exchange for a contribution of property had an initial tax basis equal to the basis in the property you contributed to Evercore LP. Such initial basis is generally increased by your share of Evercore LP s taxable income and increases in your share of Evercore LP s liabilities. Your initial basis generally is decreased, but not below zero, by your share of Evercore LP s distributions, decreases in your share of Evercore LP s liabilities, your share of Evercore LP s losses and nondeductible expenditures.

***Non-U.S. Holders***

Because Evercore LP is engaged in a U.S. trade or business, a portion of any gain recognized by a Non-U.S. Holder on the sale or exchange of its partnership units could be treated for U.S. federal income tax purposes as effectively connected with such trade of business and hence such Non-U.S. Holder could be subject to U.S. federal income tax on the exchange as follows:

An individual Non-U.S. Holder will be subject to tax on the net gain effectively connected with a U.S. trade of business from such sale under regular graduated United States federal income tax rates.

A Non-U.S. Holder that is a foreign corporation will be subject to tax on its net gain that is effectively connected with a U.S. trade or business in the same manner as if it were a United States person as defined under the Code and, in addition, may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits or at such lower rate as may be specified by an applicable income tax treaty.

**Taxation of Ownership of Class A Common Stock**

***United States Holders***

*Dividends*

The gross amount of distributions on the Class A common stock will be taxable as dividends to the extent paid out of our current or accumulated earnings and profits, as determined under United States federal income tax principles. Such income will be includable in your gross income as ordinary income on the day actually or constructively received by you. Subject to certain limitations, the dividends will be eligible for the dividends received deduction. In addition, subject to certain limitations, dividends received prior to January 1, 2011 by individuals will be eligible for reduced rates of taxation.

To the extent that the amount of any distribution exceeds our current and accumulated earnings and profits for a taxable year, as determined under United States federal income tax principles, the distribution will first be treated as a tax-free return of capital, causing a reduction in the adjusted basis of the shares of Class A common stock (thereby increasing the amount of gain, or decreasing the amount of loss, to be recognized by you on a subsequent disposition of the Class A common stock), and the balance in excess of adjusted basis will be taxed as capital gain recognized on a sale or exchange.

*Taxation of Capital Gains*

For United States federal income tax purposes, you will recognize taxable gain or loss on any sale or exchange of a share of Class A common stock in an amount equal to the difference between the amount realized for the Class A common stock and your tax basis in such shares. Such gain or loss will generally be capital gain or loss. Capital gains of individuals derived with respect to capital assets held for more than one year are generally taxed at reduced rates for gains recognized before January 1, 2011. The deductibility of capital losses is subject to limitations.

***Non-U.S. Holders***

*Dividends*

Dividends paid to a Non-U.S. Holder of our Class A common stock generally will be subject to withholding of United States federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, dividends that are effectively connected with the conduct of a trade or business by the Non-U.S. Holder within the United States (and, if required by an applicable income tax treaty, are attributable to a United States permanent establishment) are not subject to the withholding tax, provided certain certification and disclosure requirements are satisfied. Instead, such dividends are subject to United States federal income tax on a net income basis in the same manner as if the Non-U.S. Holder were a United States person as defined under the Code. Any such effectively connected dividends received by a foreign corporation may be subject to an additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty.

A Non-U.S. Holder of our Class A common stock who wishes to claim the benefit of an applicable treaty rate and avoid backup withholding, as discussed below, for dividends will be required (a) to complete Internal Revenue Service Form W-8BEN (or other applicable form) and certify under penalty of perjury that such holder is not a United States person as defined under the Code and is eligible for treaty benefits or (b) if our Class A common stock is held through certain foreign intermediaries, to satisfy the relevant certification requirements of applicable United States Treasury regulations. Special certification and other requirements apply to certain Non-U.S. Holders that are pass-through entities rather than corporations or individuals.

A Non-U.S. Holder of our Class A common stock eligible for a reduced rate of United States withholding tax pursuant to an income tax treaty may obtain a refund of any excess amounts withheld by filing an appropriate claim for refund with the Internal Revenue Service.

*Gain on Disposition of Class A Common Stock*

Any gain realized on the disposition of our Class A common stock generally will not be subject to United States federal income tax unless:

- the gain is effectively connected with a trade or business of the Non-U.S. Holder in the United States (and, if required by an applicable income tax treaty, is attributable to a United States permanent establishment of the Non-U.S. Holder);
- the Non-U.S. Holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition, and certain other conditions are met; or
- we are or have been a United States real property holding corporation for United States federal income tax purposes.

An individual Non-U.S. Holder described in the first bullet point immediately above will be subject to tax on the net gain derived from the sale under regular graduated United States federal income tax rates. An individual Non-U.S. Holder described in the second bullet point immediately above will be subject to a flat 30% tax on the gain derived from the sale, which may be offset by United States source capital losses, even though the individual is not considered a resident of the United States. If a Non-U.S. Holder that is a foreign corporation falls under the first bullet point immediately above, it will be subject to tax on its net gain in the same manner as if it were a United States person as defined under the Code and, in addition, may be subject to the branch profits tax equal to 30% of its effectively connected earnings and profits or at such lower rate as may be specified by an applicable income tax treaty.

We believe we are not and do not anticipate becoming a United States real property holding corporation for United States federal income tax purposes.

**Information reporting and backup withholding**

***United States Holders***

In general, information reporting will apply to dividends in respect of our shares of Class A common stock and the proceeds from the sale, exchange or redemption of our partnership units and shares of Class A common stock that are paid to you within the United States (and in certain cases, outside the United States), unless you are an exempt recipient such as a corporation. A backup withholding tax may apply to such payments if you fail to provide a taxpayer identification number or certification of other exempt status or fail to report in full dividend and interest income.

Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your United States federal income tax liability provided the required information is furnished to the Internal Revenue Service.

***Non-U.S. Holders***

We must report annually to the Internal Revenue Service and to each Non-U.S. Holder the amount of dividends paid to such holder and the tax withheld with respect to such dividends, regardless of whether withholding was required. Copies of the information returns reporting such dividends and withholding may also be made available to the tax authorities in the country in which the Non-U.S. Holder resides under the provisions of an applicable income tax treaty.

A Non-U.S. Holder will be subject to backup withholding for dividends paid to such holder unless such holder certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that such holder is a United States person as defined under the Code), or such holder otherwise establishes an exemption.

Information reporting and, depending on the circumstances, backup withholding will apply to the proceeds of a sale of our partnership units and Class A common stock within the United States or conducted through certain United States-related financial intermediaries, unless the beneficial owner certifies under penalty of perjury that it is a Non-U.S. Holder (and the payor does not have actual knowledge or reason to know that the beneficial owner is a United States person as defined under the Code), or such owner otherwise establishes an exemption.

Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder s United States federal income tax liability provided the required information is furnished to the Internal Revenue Service.

## DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock is a summary and is qualified in its entirety by reference to our certificate of incorporation and bylaws, the which are filed as exhibits to the registration statement of which this prospectus forms a part, and by applicable law.

Our authorized capital stock consists of 1,000,000,000 shares of Class A common stock, par value $.01 per share, 1,000,000 shares of Class B common stock, par value $.01 per share and 100,000,000 shares of preferred stock. Unless our board of directors determines otherwise, we will issue all shares of our capital stock in uncertificated form.

**Common Stock**

***Class A common stock***

Holders of our Class A common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders.

Holders of our Class A common stock are entitled to receive dividends when and if declared by our board of directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions on the payment of dividends imposed by the terms of any outstanding preferred stock.

Upon our dissolution or liquidation or the sale of all or substantially all of our assets, after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of our Class A common stock will be entitled to receive pro rata our remaining assets available for distribution.

Holders of our Class A common stock do not have preemptive, subscription, redemption or conversion rights.

Subject to the transfer restrictions set forth in the Evercore LP partnership agreement, holders of fully vested partnership units in Evercore LP (other than Evercore Partners Inc.) may exchange these 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.

***Class B common stock***

Each holder of Class B common Stock shall be entitled, without regard to the number of shares of Class B common stock held by such holder, to one vote for each partnership unit in Evercore LP held by such holder. Accordingly, the limited partners of Evercore LP collectively have a number of votes in Evercore Partners Inc. that is equal to the aggregate number of vested and unvested partnership units that they hold.

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.

Holders of our Class B common stock do not have any right to receive dividends or to receive a distribution upon a liquidation or winding up of Evercore Partners Inc.

**Preferred Stock**

Our certificate of incorporation authorizes our board of directors to establish one or more series of preferred stock (including convertible preferred stock). Unless required by law or by any stock exchange, the authorized

shares of preferred stock will be available for issuance without further action by you. Our board of directors is able to determine, with respect to any series of preferred stock, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series, which our board may, except where otherwise provided in the preferred stock designation, increase or decrease, but not below the number of shares then outstanding;
- whether dividends, if any, will be cumulative or non-cumulative and the dividend rate of the series;
- the dates at which dividends, if any, will be payable;
- the redemption rights and price or prices, if any, for shares of the series;
- the terms and amounts of any sinking fund provided for the purchase or redemption of shares of the series;
- the amounts payable on shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding-up of the affairs of our company;
- whether the shares of the series will be convertible into shares of any other class or series, or any other security, of our company or any other entity, and, if so, the specification of the other class or series or other security, the conversion price or prices or rate or rates, any rate adjustments, the date or dates as of which the shares will be convertible and all other terms and conditions upon which the conversion may be made;
- restrictions on the issuance of shares of the same series or of any other class or series; and
- the voting rights, if any, of the holders of the series.

We could issue a series of preferred stock that could, depending on the terms of the series, impede or discourage an acquisition attempt or other transaction that some, or a majority, of you might believe to be in your best interests or in which you might receive a premium for your Class A common stock over the market price of the Class A common stock.

**Authorized but Unissued Capital Stock**

Delaware law does not require stockholder approval for any issuance of authorized shares. However, the listing requirements of the New York Stock Exchange, which would apply so long as the Class A common stock remains listed on the New York Stock Exchange, require stockholder approval of certain issuances equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of Class A common stock (assuming, in this latter case, the exchange of outstanding Evercore LP partnership units not held by Evercore Partners Inc.). These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions.

One of the effects of the existence of unissued and unreserved common stock or preferred stock may be to enable our board of directors to issue shares to persons friendly to current management, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive the stockholders of opportunities to sell their shares at prices higher than prevailing market prices.

13

**Anti-Takeover Effects of Provisions of Delaware Law**

We are a Delaware corporation subject to Section 203 of the Delaware General Corporation Law. Section 203 provides that, subject to certain exceptions specified in the law, a Delaware corporation shall not engage in certain business combinations with any interested stockholder for a three-year period after the date of the transaction in which the person became an interested stockholder unless:

- prior to such time, our board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of our voting stock outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to that time, the business combination is approved by our board of directors and authorized by the affirmative vote of holders of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Generally, a business combination includes a merger, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an interested stockholder is a person who, together with that person s affiliates and associates, owns, or within the previous three years did own, 15% or more of our voting stock.

Under certain circumstances, Section 203 makes it more difficult for a person who would be an interested stockholder to effect various business combinations with a corporation for a three-year period. The provisions of Section 203 may encourage companies interested in acquiring our company to negotiate in advance with our board of directors because the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction that results in the stockholder becoming an interested stockholder. These provisions also may make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

**Transfer Agent and Registrar**

The transfer agent and registrar for our Class A common stock is The Bank of New York.

**Listing**

Our Class A common stock is listed on the New York Stock Exchange under the symbol EVR .

**COMPARISON OF OWNERSHIP OF EVERCORE LP PARTNERSHIP UNITS AND CLASS A COMMON STOCK**

The information below highlights a number of the significant differences between the rights and privileges associated with ownership of the Evercore LP partnership units and Evercore Partners Inc. Class A common stock. This discussion is intended to assist holders of the partnership units in understanding how their investment will change if their partnership units are exchanged for shares of Class A common stock. The following information is summary in nature and is not intended to describe all the differences between the partnership units and the Class A common stock.

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Form of Organization, Purpose and Assets** | |
| Evercore Partners Inc. (the Corporation ) is a Delaware corporation governed by the General Corporation Law of the State of Delaware (the DGCL ). The Corporation was founded for the purpose of conducting any business that may be lawfully conducted by a corporation. The Corporation s sole material asset is an equity interest in Evercore LP. As the sole general partner of Evercore LP, the Corporation operates and controls all of the business and affairs of Evercore LP and, through Evercore LP and its operating subsidiaries, conducts our business. | Evercore LP is Delaware limited partnership governed by the Delaware Revised Uniform Limited Partnership Act (the RULPA ). Evercore LP was formed for the object and purpose of, and the nature of the business to be conducted by Evercore LP is, engaging in any lawful act or activity for which limited partnerships may be formed under the RULPA. |
| **Authorized Share Capital** | |
| The total number of shares of all classes of stock the Corporation is authorized to issue is 1,101,000,000 consisting of (i) 100,000,000 shares of preferred stock, par value $.01 per share, (ii) 1,000,000,000 shares of Class A common stock, par value $.01 per share, and (iii) 1,000,000 shares of Class B common stock, par value $.01 per share. The number of authorized shares of any class may be increased or decreased by an affirmative vote of the holders of a majority of the voting power entitled to vote thereon. | The total number of partnership units outstanding is currently 20,193,897, excluding 11,133,874 partnership units held by the General Partner. The General Partner (i.e., Evercore Partners Inc.) may issue additional partnership units or create new classes of units. |
| As of August 13, 2007, there were approximately 11.1 million shares of Class A common stock outstanding (or approximately 31.3 million shares if all outstanding Evercore LP partnership units not held by Evercore Partners Inc. are exchanged for shares of Class A common stock on a one-for-one basis). | Partnership units will be subdivided or combined concurrently with, and in the same manner as, the Class A common stock. |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Voting Rights** | |
| Holders of our Class A common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders. Each Class B stockholder is entitled, without regard to the number of shares of Class B Common Stock held by such holder, to one vote for each partnership unit in Evercore LP held by such holder. However, Class A stockholders and Class B stockholders are not entitled to vote on any amendment to the certificate of incorporation that relates solely to the terms of one or more series of outstanding preferred stock if the holders of such preferred stock are entitled to vote thereon. | The conduct, control or management of Evercore LP is vested exclusively in the Corporation, as general partner. |
| 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. | No limited partner, in its capacity as such, has the right to participate in or have any control over the business or management of Evercore LP, except that (i) no general partner may be admitted to the partnership as an additional or substitute general partner without the consent of limited partners holding at least 50% of the vested partnership units, (ii) there will be a continuance of Evercore LP in the event of the incapacity or removal of the general partner upon consent of two-thirds of the limited partners, and (iii) the general partner may not, subject to certain specified exceptions, amend the limited partnership agreement of Evercore LP if such amendment would have a material adverse affect on the rights or preferences of any class of partnership units in relation to any other class of partnership units without the written consent of those holding a majority of the vested partnership units of the affected class. |
| Under the Company s bylaws, and the DGCL, a majority of the voting power of the common stock issued and outstanding and entitled to vote at a meeting constitutes a quorum of the stockholders at such meeting. When a quorum is present at any such meeting, the vote of the majority of the votes cast shall decide a matter brought before such meeting. | |
| **Dividend Rights** | |
| Holders of our Class A common stock are entitled to receive dividends when and if declared by our board of directors out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends and to any restrictions on the payment of dividends imposed by the terms of any outstanding preferred stock. | The General Partner, in its discretion, may authorize distributions by Evercore LP to the general partner and limited partners. Such distributions will be made pro rata in accordance with the partners respective percentage interests in vested partnership units. In the event of an extraordinary dividend, refinancing, recapitalization, merger or other restructuring transaction, the general partner, in its discretion, may also authorize distributions to the partners that will be made pro rata in accordance with the partners total partnership units. |
| | In addition, certain partners are entitled to tax distributions in accordance with their respective total percentage interests upon the determination that the taxable income of Evercore LP for a fiscal year will give rise to taxable income for the limited partners. |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Liquidity** | |
| With the exception of Class A common stock held by our affiliates, the Class A common stock is freely transferable. | Other than as described below, no limited partner may transfer any of its partnership units without the prior written consent of the General Partner. The General Partner may grant or withhold such consent at its sole discretion. Notwithstanding the preceding sentence, under certain circumstances limited partners may be allowed to transfer a portion of its partnership units to certain charities, and to certain trusts for estate planning purposes. |
| Class A common stock is not convertible or exchangeable into any other class of security issued by us or Evercore LP. | |
| The Class A common stock is listed on the New York Stock Exchange. | Following the fifth anniversary of the initial public offering or as permitted by the equity committee of Evercore LP from time to time, a limited partner may, at its election, exchange all or a portion of its vested partnership units for Class A common stock on a one-for-one basis; provided that if the limited partner is not employed by Evercore on such fifth anniversary, a longer period of restriction may apply. In the event the equity committee of Evercore LP permits an exchange or disposition of partnership units by an employee of Evercore LP, Messrs. Altman, Beutner and Aspe, and all other limited partners who are then employed by Evercore LP will likewise generally be entitled to exchange a similar proportion of their partnership units. |
| **Management** | |
| Our board of directors manages the Company s business and affairs. Accordingly, except for their vote in the election of directors and their vote in specified major transaction, the Class A common stockholders, as such, do not directly have any control over our business and affairs. | The Corporation, as general partner, manages the business and affairs of Evercore LP. No limited partner, in its capacity as such, has any right to participate in the conduct, control or management of Evercore LP except in the limited circumstances described above under Voting Rights. |
| **Fiduciary Duties of Directors/General Partner** | |
| Under Delaware law, the directors of the Corporation owe the Corporation and its stockholders fiduciary duties, including the duties of care and loyalty, and are required to act in good faith in discharging their duties. | Pursuant to Evercore LP s partnership agreement, the general partner and limited partners expressly waive any and all fiduciary duties that, absent such waiver, may be implied by law. |
| Under the Corporation s Certificate of Incorporation, to the extent permissible under Delaware law, no member of the board of directors is personally liable to the Corporation or its stockholders for monetary damages for any breach of fiduciary duty as a director. | |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Indemnification** | |
| To the fullest extent permitted by law, the Corporation will indemnify any current or former director or officer in any suit against all loss and liability suffered and expenses (including attorney s fees), judgments, fines and amounts paid in settlement reasonably incurred in connection with such a suit. | Evercore LP will indemnify any person or entity who has been or will be made party to an action (whether brought on behalf of the Partnership or otherwise) arising out of service to the Partnership against all loss and liability suffered and expenses (including attorney s fees), judgments, fines and amounts paid in settlement incurred in connection with such an action. However, no person shall be indemnified if such person s action constitutes fraud, bad faith or willful misconduct. |
| | The Corporation, as general partner, is liable for all debts and obligations that cannot be satisfied out of Evercore LP s assets. |
| **Number of Directors; Election of Directors; Filling of Vacancies; Removal of Directors/General Partner** | |
| The number of directors shall be fixed from time to time by resolution adopted by affirmative vote of a majority of the board of directors. | The appointment of an additional or substitute General Partner requires the written approval of those partners (including the general partner) owning more than 50% of the vested partnership units (including those partnership units held by the general partner). |
| The directors are elected by a vote of a plurality of those holders of Class A common stock and Class B common stock and others entitled to vote that are present (in person or by proxy) at a meeting in which such votes are cast. Additionally, if a series of preferred stock is entitled to vote separately to elect its own director(s), then the holders of such a series will have the right to such election. Any director elected to the board by preferred stockholders will serve in addition to the number of directors required by a resolution of the board of directors. | No General Partner may withdraw or be removed from the partnership unless an additional General Partner has previously been admitted. |
| Any vacancy on the board of directors shall be filled only by a vote of the majority of the board of directors then in office, although less than a quorum, or by a sole remaining director. | |
| A director must vacate office when he or she resigns, or is not re-elected. Any director, or the entire board, may be removed, with or without cause, by a vote of the majority of the stockholders entitled to vote for such director(s). | |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Director/General Partner Nominations by Stockholders/Limited Partners** | |
| Our by-laws require that Class A common stockholders must give advance notice of a director nomination prior to a meeting in which such a nomination will be voted on. Specifically, the nomination must generally be delivered to the Secretary of the Company at our executive offices between 90 and 120 days before the first anniversary of the preceding year s annual meeting. Nominations must contain all that is required to be disclosed in a proxy solicitation by Regulation 14A under the Securities Exchange Act, as well as the nominee s written consent to be named in the proxy and to serve as a director. Finally, a Class A common stockholder s nomination may be disregarded if the Class A common stockholder (or its qualified representative) does not appear at the meeting in which the voting takes place. | As noted above, the appointment of an additional or substitute General Partner requires the written approval of those partners (including the general partner) owning more than 50% of the vested partnership units (including those partnership units held by the general partner). |
| **Stockholder/Limited Partner Proposals** | |
| Class A common stockholders and other stockholders may make proposals to be voted on at a meeting in which such voting takes place. Notice of such proposals must be made in the same timely manner as is required for director nominations and must contain the information set forth in the by-laws of the Corporation. Such information will be deemed to be delivered if the stockholder has notified the Corporation of its intention to present a proposal at an annual meeting in compliance with Rule 14a-8 promulgated under the Securities Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. A stockholder s proposal may be disregarded if the stockholder (or its qualified representative) is not present at the meeting in which the voting takes place. | No limited partner, in its capacity as such, has any right to participate in the conduct, control or management of Evercore LP except in the limited circumstances described above under Voting Rights. |
| **Special Meetings Called by Stockholders/Limited Partners** | |
| The Corporation s certificate of incorporation does not permit Class A common stockholders to call special meetings of the stockholders. | Under the Evercore LP partnership agreement limited partners are not permitted to call special meetings of Evercore LP. |
| **Action Through Writing** | |
| Any action required or permitted to be taken by holders of Class A common stock must be effected at a duly called annual or special meeting of holders and may not be effected by any consent in writing by such holders. | Any action required or permitted to be taken by the partners under the partnership agreement shall be taken if all partners whose consent is required consent thereto in writing. |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Amendments to Governing Instruments** | |
| Pursuant to the DGCL, the certificate of incorporation of the Corporation may only be amended by the board of directors with the approval of a majority of the outstanding stock entitled to vote and a majority of the outstanding stock of any class of stock affected by the amendment. | The general partner may, at its sole discretion, amend the partnership agreement. However, subject to certain specified exceptions, no such amendment may have a material adverse affect on the rights or preferences of any class of partnership units in relation to any other class of partnership units without the written consent of those holding a majority of the vested partnership units of the affected class. |
| The affirmative vote of the holders of at least 80% of the voting power of all the then outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, will be required for the stockholders to make, amend, alter, change, add to or repeal any provision of the by-laws. | |
| **Asset Sales, Mergers and Consolidations** | |
| Pursuant to the DGCL, the board of directors may sell, lease or exchange all or substantially all the Corporation s assets when authorized by a majority of the stockholders entitled to vote on a resolution granting such authorization. | The Corporation, as general partner, has the authority and sole discretion to determine if, when and on what terms any or all of Evercore LP s assets are sold. |
| We may merge or consolidate with another entity upon the board of directors recommending such action and subsequent approval of a majority of the stockholders entitled to vote on mergers and consolidations. The information submitted to the stockholders by the board of directors must include (i) the terms and conditions of the merger or consolidation; (ii) the mode of carrying the transaction into effect; (iii) in the case of a merger, any changes that are to be made to the certificate of incorporation of the surviving company; (iv) in the case of a consolidation, that the certificate of incorporation of the resulting corporation shall be as is set forth in an attachment to the consolidation agreement; and (v) the manner, if any, of converting the shares of the constituent corporations into an interest in the surviving or newly created entity. | |

| Evercore Partners Inc. | Evercore LP |
|---|---|
| **Rights on Liquidation** | |
| In the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation and of the preferential and other amounts, if any, to which the holders of preferred stock are entitled, the Class A common stockholders will be entitled to receive the remaining assets of the Corporation available for distribution. Such assets will be paid on a *pro rata* basis in proportion to the amount of outstanding shares owned by each Class A common stockholder. | Upon dissolution, the general partner, or its agent, shall take full account of the assets and liabilities of the partnership and liquidate the assets of Evercore LP. The proceeds will be applied first against Evercore LP s debts and liabilities and expenses of liquidation, then to establishing a reserve fund to be used for payment of any unforeseen liabilities or obligations of the partnership. The balance, if any, will be distributed to the partners *pro rata* based on overall ownership of vested partnership units. |
| **Access to Books and Records** | |
| Members of the general public have a right to inspect our public documents, available at the Securities and Exchange Commission s offices and through its electronic filing system (EDGAR). | Under the RULPA, limited partners are permitted access to certain financial and tax information and other records of Evercore LP. |
| Under the DGCL, stockholders have the right to access a list of stockholders and others entitled to vote at a meeting. This list must be produced by us at least 10 days in advance of any meeting in which voting is to take place. The list must contain the names and addresses of all stockholders as well as the number of shares each holds. Stockholders may only access the list for purposes of conducting stockholder business. | |
| **Dissolution** | |
| The Corporation has a perpetual term. | Evercore LP was formed on May 12, 2006 and will continue until dissolved upon the occurrence of specified events including (i) judicial decree, (ii) those specified within the RULPA, and (iii) upon removal or incapacity of the General Partner. |

## PLAN OF DISTRIBUTION

This prospectus relates to the issuance from time to time of up to 20,193,897 shares of our Class A common stock to holders of up to an equal number of Evercore LP partnership units. The shares of Class A common stock registered under this prospectus will only be issued to the extent that holders of partnership units exchange such partnership units. We will not receive any cash proceeds from the issuance of any of our shares of Class A common stock upon an exchange of Evercore LP partnership units, but we will acquire the Evercore LP partnership units exchanged for shares of our Class A common stock that we issue to an exchanging holder.

## LEGAL MATTERS

The validity of the Class A common stock will be passed upon for us by Simpson Thacher & Bartlett LLP, New York, New York. An investment vehicle composed of certain partners of Simpson Thacher & Bartlett LLP, members of their families, related parties and others own an interest representing less than 1% of the capital commitments of investment funds managed by Evercore.

## EXPERTS

The consolidated statement of financial condition of Evercore Partners Inc. and subsidiaries (the Company ) as of December 31, 2006, and the related consolidated statements of income, changes in stockholders equity and cash flows for the period from August 10, 2006 to December 31, 2006, and the combined statement of financial condition of Evercore Holdings as of December 31, 2005, and the related combined statements of income, changes in members equity and cash flows for the period from January 1, 2006 to August 9, 2006, and the years ended December 31, 2005 and 2004, included in this prospectus which is part of this registration statement have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report dated April 2, 2007 (May 15, 2007 as to Note 21) appearing herein (which report expresses an unqualified opinion and includes an explanatory paragraph referring to the formation of the Company, the adoption of Statement of Financial Accounting Standard ( SFAS ) No. 123(R) Share-Based Payment on January 1, 2006, and the Company becoming subject to U.S. corporate federal income taxes that it accounts for in accordance with SFAS No. 109 Accounting for Income Taxes), and have been so included in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The financial statements of Protego Asesores, S.A. de C.V. ( Protego ) and its subsidiaries and Protego SI, S.C. ( Protego SI ) incorporated in this prospectus by reference to the Evercore Partners Inc. Current Report on Form 8-K dated February 21, 2007 have been so incorporated in reliance on the report, which contains an explanatory paragraph relating to the Company s restatement of its financial statements as described in Note 2 to the combined and consolidated financial statements, of PricewaterhouseCoopers, S.C., independent accountants, given on the authority of said firm as experts in auditing and accounting.

The financial statements of Braveheart Financial Services Limited at March 31, 2006, and for the twelve months in the period ended March 31, 2006, incorporated by reference in this prospectus have been audited by Saffery Champness, chartered accountants and registered auditors, as stated in their report appearing herein, and are incorporated by reference in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

## WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the Class A common stock offered in this prospectus. This prospectus, filed as part of the registration statement, does not contain all of the information set forth in the registration statement and its exhibits and schedules, portions of which have been omitted as permitted by the rules and regulations of the SEC. For further information about us and our Class A common stock, we refer you to the registration statement and to its exhibits

and schedules. Statements in this prospectus about the contents of any contract, agreement or other document are not necessarily complete and, in each instance, we refer you to the copy of such contract, agreement or document filed as an exhibit to the registration statement, with each such statement being qualified in all respects by reference to the document to which it refers. Anyone may inspect the registration statement and its exhibits and schedules without charge at the public reference facilities the SEC maintains at 100 F Street, N.E., Washington, D.C. 20549. You may obtain copies of all or any part of these materials from the SEC upon the payment of certain fees prescribed by the SEC. You may obtain further information about the operation of the SEC s Public Reference Room by calling the SEC at 1-800-SEC-0330. You may also inspect these reports and other information without charge at a website maintained by the SEC. The address of this site is http://www.sec.gov.

We are subject to the informational requirements of the Securities Exchange Act of 1934, as amended, and are required to file reports, proxy statements and other information with the SEC. You may inspect and copy these reports, proxy statements and other information at the public reference facilities maintained by the SEC at the address noted above. You also are able to obtain copies of this material from the Public Reference Room of the SEC as described above, or inspect them without charge at the SEC s website. We intend to make available to our stockholders annual reports containing consolidated financial statements audited by an independent registered public accounting firm.

The SEC s rules allow us to incorporate by reference information into this prospectus. This means that we can disclose important information to you by referring you to another document. Any information referred to in this way is considered part of this prospectus from the date we file that document. Any reports filed by us with the SEC after the date of the initial registration statement and prior to effectiveness of the registration statement and any reports filed by us with the SEC after the date of this prospectus and before the date that the offerings of the shares of common stock by means of this prospectus are terminated will automatically update and, where applicable, supersede any information contained in this prospectus or incorporated by reference in this prospectus.

We incorporate by reference into this prospectus the following documents or information filed with the SEC:

Annual Report on Form 10-K for the fiscal year ended December 31, 2006, filed on April 2, 2007 (File No. 001-32975) (excluding the audited financial statements which are included pursuant to Item 8. thereof, which are included in this prospectus);

Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, filed on August 13, 2007 (File No. 001-32975);

Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2007, filed on May 15, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated August 6, 2007, filed on August 6, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated June 29, 2007, filed on July 6, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated June 4, 2007, filed on June 8, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated May 23, 2007, filed on May 30, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated March 1, 2007, filed on March 2, 2007 (File No. 001-32975);

Current Reports on Form 8-K, dated February 21, 2007, filed on February 21, 2007 (File No. 001-32975);

Current Report on Form 8-K/A, dated December 19, 2006, as amended by Current Report on Form 8-K/A, dated March 7, 2007, filed on April 10, 2007 (File No. 001-32975);

Current Report on Form 8-K/A, dated December 19, 2006, filed on March 7, 2007 (File No. 001-32975);

Proxy Statement on Schedule 14A, filed on April 30, 2007 (File No. 001-32236);

The description of our Class A common stock contained in the Registration Statement on Form 8-A, dated August 7, 2006, filed with the SEC under Section 12(b) of the Securities Exchange Act of 1934; and

All documents filed by Evercore Partners Inc. under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of the initial registration statement and prior to effectiveness of the registration statement and after the date of this prospectus and before the termination of the offerings to which this prospectus relates.

We will provide without charge to each person, including any beneficial owner, to whom this prospectus is delivered, upon his or her written or oral request, a copy of any or all documents referred to above which have been or may be incorporated by reference into this prospectus, excluding exhibits to those documents unless they are specifically incorporated by reference into those documents. You may request copies of those documents from Evercore Partners Inc., 55 East 52nd Street, 38th Floor, New York, NY 10055. You also may contact us at (212) 857-3100 or visit our website at http://www.evercore.com for copies of those documents. Our website and the information contained on our website are not a part of this prospectus, and you should not rely on any such information in making your decision whether to purchase the shares offered hereby.

**INDEX TO FINANCIAL STATEMENTS**

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders of Evercore Partners Inc.:

We have audited the accompanying consolidated statement of financial condition of Evercore Partners Inc. and subsidiaries (the Successor ) as of December 31, 2006, and the related consolidated statements of income, changes in stockholders equity, and cash flows for the period from August 10, 2006 to December 31, 2006. We have also audited the accompanying combined statement of financial condition of Evercore Holdings (the Predecessor ) as of December 31, 2005, and the related combined statements of income, changes in members equity and cash flows for the period from January 1, 2006 to August 9, 2006, and the years ended December 31, 2005 and 2004. These financial statements are the responsibility of the Successors and Predecessors (collectively the Company ) management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the Successor s consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Successor as of December 31, 2006, and the results of its operations and its cash flows for the period August 10, 2006 to December 31, 2006, in conformity with accounting principles generally accepted in the United States of America. Further, in our opinion, the Predecessor s combined financial statements referred to above present fairly, in all material respects, the financial position of the Predecessor as of December 31, 2005, and the results of its operations and its cash flows for the period January 1, 2006 to August 9, 2006, and the years ended December 31, 2005 and 2004, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the combined/consolidated financial statements, the Successor was formed on August 10, 2006 pursuant to a contribution and sale agreement. As discussed in Note 2 to the combined/consolidated financial statements, effective January 1, 2006, the Successor adopted Statement of Financial Accounting Standard (SFAS) No. 123(R) Share-Based Payment. As discussed in Note 2 to the combined/consolidated financial statements, commencing August 10, 2006, the Company became subject to U.S. corporate federal income tax that it accounts for in accordance with SFAS No. 109 Accounting for Income Taxes.

/s/ Deloitte & Touche LLP

New York, New York

April 2, 2007

May 15, 2007 (as to Note 21 related to Stock Based Compensation and Dividends)

**EVERCORE PARTNERS INC.**

**COMBINED/CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**

**(in thousands, except share and per share data)**

| | Combined December 31, 2005 PREDECESSOR | Consolidated December 31, 2006 SUCCESSOR |
|---|---|---|
| **ASSETS** | | |
| Current Assets | | |
| Cash and Cash Equivalents | $ 37,855 | $ 65,420 |
| Trading Securities | | 4,216 |
| Financial Instruments Owned and Pledged as Collateral at Fair Value | | 73,847 |
| Securities Purchased Under Agreements to Resell | | 10,266 |
| Accounts Receivable (net of allowances of $256 on December 31, 2005 and $208 on December 31, 2006) | 12,708 | 55,247 |
| Receivable from Members, Employees and Related Parties | 1,952 | 1,443 |
| Receivable from Affiliates | 1,255 | 1,189 |
| Debt Issuance Costs | 607 | |
| Prepaid Expenses | 604 | 3,141 |
| Other Current Assets | 353 | 990 |
| Total Current Assets | 55,334 | 215,759 |
| Investments | 16,755 | 16,009 |
| Deferred Tax Asset | 205 | 1,774 |
| Deferred Offering and Acquisition Costs | 5,138 | |
| Furniture, Equipment and Leasehold Improvements, Net | 2,263 | 4,373 |
| Goodwill | | 37,966 |
| Intangible Assets, Net | | 23,080 |
| Other Assets | 1,761 | 2,542 |
| TOTAL ASSETS | $ 81,456 | $ 301,503 |
| **LIABILITIES AND MEMBERS AND STOCKHOLDERS EQUITY** | | |
| Current Liabilities | | |
| Accrued Compensation and Benefits | $ 13,165 | $ 48,094 |
| Accounts Payable and Accrued Expenses | 11,672 | 8,948 |
| Securities Sold Under Agreements to Repurchase | | 84,135 |
| Deferred Revenue | 935 | 404 |
| Notes Payable to Related Parties | | 3,000 |
| Payable to Members and Employees | 659 | 338 |
| Payable to Affiliates | 440 | 306 |
| Capital Leases Payable Current | 193 | 132 |
| Taxes Payable | 1,730 | 6,535 |
| Other Current Liabilities | 626 | 15 |
| Total Current Liabilities | 29,420 | 151,907 |
| Deferred Tax Liability | 25 | 107 |
| Capital Leases Payable Long-Term | 232 | 94 |
| TOTAL LIABILITIES | 29,677 | 152,108 |
| Commitments and Contingencies | | |
| Minority Interest | 274 | 36,918 |
| Members and Stockholders Equity | | |
| Members Equity | 51,301 | |
| Common Stock: | | |
| Class A, par value $0.01 per share (1,000,000,000 shares authorized, 6,359,558 issued and outstanding) | | 64 |
| Class B, par value $0.01 per share (1,000,000 shares authorized, 51 issued and outstanding) | | |
| Additional Paid-In-Capital | | 108,564 |

| | | |
|---|---|---|
| Retained Earnings | | 3,786 |
| Accumulated Other Comprehensive Income | 204 | 63 |
| TOTAL MEMBERS AND STOCKHOLDERS EQUITY | 51,505 | 112,477 |
| TOTAL LIABILITIES AND MEMBERS AND STOCKHOLDERS EQUITY | $ 81,456 | $ 301,503 |

See Notes to Combined/Consolidated Financial Statements.

**EVERCORE PARTNERS INC.**

**COMBINED/CONSOLIDATED STATEMENTS OF INCOME**

**(in thousands, except per share data)**

| | Combined For the Twelve Months Ended December 31, 2004 PREDECESSOR | Combined For the Twelve Months Ended December 31, 2005 PREDECESSOR | Combined For the Period January 1, 2006 through August 9, 2006 PREDECESSOR | Consolidated For the Period August 10, 2006 through December 31, 2006 SUCCESSOR |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Advisory Revenue | $ 69,205 | $ 110,842 | $ 96,122 | $ 87,659 |
| Investment Management Revenue | 16,967 | 14,584 | 16,860 | 6,400 |
| Interest Income and Other Revenue | 145 | 209 | 643 | 8,813 |
| TOTAL REVENUES | 86,317 | 125,635 | 113,625 | 102,872 |
| Interest Expense | | | | 6,783 |
| NET REVENUES | 86,317 | 125,635 | 113,625 | 96,089 |
| **EXPENSES** | | | | |
| Employee Compensation and Benefits | 17,084 | 24,115 | 20,598 | 52,316 |
| Occupancy and Equipment Rental | 3,090 | 3,071 | 2,233 | 1,971 |
| Professional Fees | 8,031 | 23,892 | 13,527 | 6,739 |
| Travel and Related Expenses | 3,352 | 4,478 | 4,176 | 3,130 |
| Communications and Information Services | 812 | 898 | 1,075 | 815 |
| Financing Costs | | | 1,706 | 11 |
| Depreciation and Amortization | 667 | 778 | 666 | 3,234 |
| Other Operating Expenses | 1,437 | 1,871 | 1,319 | 2,066 |
| TOTAL EXPENSES | 34,473 | 59,103 | 45,300 | 70,282 |
| Other Income | 76 | | | |
| **INCOME BEFORE INCOME TAXES AND MINORITY INTEREST** | 51,920 | 66,532 | 68,325 | 25,807 |
| Provision for Income Taxes | 2,114 | 3,372 | 2,368 | 6,030 |
| Minority Interest | 29 | 8 | 6 | 15,991 |
| **NET INCOME** | $ 49,777 | $ 63,152 | $ 65,951 | $ 3,786 |
| Net Income Available to Holders of Shares of Class A Common Stock | N/A | N/A | N/A | $ 3,786 |
| Weighted Average Shares of Class A Common Stock Outstanding: | | | | |
| Basic | N/A | N/A | N/A | 4,956 |
| Diluted | N/A | N/A | N/A | 4,956 |
| Net Income Per Share: | | | | |
| Basic | N/A | N/A | N/A | $ 0.76 |
| Diluted | N/A | N/A | N/A | $ 0.76 |

See Notes to Combined/Consolidated Financial Statements.

**EVERCORE PARTNERS INC.**

**COMBINED/CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS AND STOCKHOLDERS EQUITY**

**TWELVE MONTHS ENDED DECEMBER 31, 2004, 2005 and 2006**

**(in thousands, except share data)**

| | | Common Stock | | | | | |
|---|---|---|---|---|---|---|---|
| | Members Equity | Shares | Dollars | Additional Paid-In-Capital | Accumulated Other Comprehensive Income | Retained Earnings | Total Members and Stockholders Equity |
| *Combined* | | | | | | | |
| **PREDECESSOR** | | | | | | | |
| **Balance at January 1, 2004** | $ 26,963 | | $ | $ | $ 90 | $ | $ 27,053 |
| Net Income | 49,777 | | | | | | 49,777 |
| Other Comprehensive Income: | | | | | | | |
| Unrealized Gains on Available-For-Sale Securities (net of tax of $15) | | | | | 157 | | 157 |
| Less Reclass for Unrealized Gains included in Net Income (net of tax of $8) | | | | | (84) | | (84) |
| Net Other Comprehensive Income | | | | | 73 | | 73 |
| Total Comprehensive Income | 49,777 | | | | 73 | | 49,850 |
| Members Contributions | 900 | | | | | | 900 |
| Members Distributions | (26,524) | | | | | | (26,524) |
| **Balance at December 31, 2004** | 51,116 | | | | 163 | | 51,279 |
| Net Income | 63,152 | | | | | | 63,152 |
| Other Comprehensive Income: | | | | | | | |
| Unrealized Gains on Available-For-Sale Securities (net of tax of $4) | | | | | 41 | | 41 |
| Total Comprehensive Income | 63,152 | | | | 41 | | 63,193 |
| Members Contributions | 2,291 | | | | | | 2,291 |
| Members Distributions | (65,258) | | | | | | (65,258) |
| **Balance at December 31, 2005** | 51,301 | | | | 204 | | 51,505 |
| Net Income Allocable to Members | 65,951 | | | | | | 65,951 |
| Members Contributions | 2,644 | | | | | | 2,644 |
| Members Distributions | (100,711) | | | | | | (100,711) |
| Members Draw | (6,503) | | | | | | (6,503) |
| Private Equity Funds Distributions | (3,872) | | | | | | (3,872) |
| Distribution of Available-For-Sale Securities | | | | | (204) | | (204) |
| Elimination of Non-Contributed Entities | (16,452) | | | | | | (16,452) |
| Capital Issuance Related to Acquisition | 27,510 | | | | | | 27,510 |
| Transfer to Minority Interest | (19,868) | | | | | | (19,868) |
| **Balance at August 9, 2006** | $ | | $ | $ | $ | $ | $ |
| *Consolidated* | | | | | | | |
| **SUCCESSOR** | | | | | | | |
| **Balance at August 10, 2006** | $ | | $ | $ | $ | $ | $ |
| Net Income Available to Class A Common Shareholders | | | | | | 3,786 | 3,786 |
| Proceeds Issuance of Common Stock, net of $13,995 Issuance Costs | | 4,542,500 | 45 | 81,352 | | | 81,397 |
| Issuance of Common Stock Related to Acquisitions | | 1,817,058 | 19 | 22,813 | | | 22,832 |
| Issuance of Restricted Stock Units | | | | 4,399 | | | 4,399 |
| Other Comprehensive Income | | | | | 63 | | 63 |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Balance at December 31, 2006** | $ 6,359,558 | $ 64 | $ 108,564 | $ 63 | $ 3,786 | $ 112,477 |

See Notes to Combined/Consolidated Financial Statements.

**EVERCORE PARTNERS INC.**

**COMBINED/CONSOLIDATED STATEMENTS OF CASH FLOWS**

**(in thousands)**

| | Combined For the Twelve Months Ended December 31, 2004 PREDECESSOR | Combined For the Twelve Months Ended December 31, 2005 PREDECESSOR | Combined For the Period January 1, 2006 through August 9, 2006 PREDECESSOR | Consolidated For the Period August 10, 2006 through December 31, 2006 SUCCESSOR |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| Net Income | $ 49,777 | $ 63,152 | $ 65,951 | $ 3,786 |
| Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities: | | | | |
| Stock Compensation | | | | 4,399 |
| Depreciation and Amortization | 667 | 778 | 1,273 | 3,234 |
| Gain (Loss) on Disposal of Equipment | 69 | | | |
| Minority Interest | 29 | 8 | 6 | 15,991 |
| Bad Debt Expense | 50 | 330 | | |
| Realized Gain on Investment | (76) | | | |
| Net Realized and Unrealized (Gains) and Losses on Investments | (3,122) | 998 | (4,845) | (1,476) |
| Net Realized and Unrealized (Gains) and Losses on Trading Securities | | | 160 | (461) |
| (Increase) Decrease in Operating Assets: | | | | |
| Trading Securities | | | (3,158) | (752) |
| Financial Instruments Owned and Pledged as Collateral at Fair Value | | | | 123,685 |
| Securities Purchased Under Agreements to Resell | | | | 196,141 |
| Accounts Receivable | (5,525) | (5,495) | 3,982 | (40,678) |
| Placement Fees Receivable | 2,487 | 2,487 | | |
| Receivable from Members, Employees and Related Parties Current | (1,128) | 250 | 494 | 15 |
| Receivable from Affiliates | (1,800) | 808 | (302) | (883) |
| Prepaid Expenses | (54) | (306) | (1,270) | (908) |
| Other Current Assets | | (335) | 308 | 107 |
| Deferred Tax Asset | (111) | | | (1,569) |
| Deferred Offering and Acquisition Costs | | (5,138) | (7,089) | (1,140) |
| Receivable from Members, Employees and Related Parties Long-term | 134 | | | |
| Other Assets | 3 | (208) | (49) | 327 |
| Increase (Decrease) in Operating Liabilities: | | | | |
| Accrued Compensation and Benefits | 3,601 | 4,355 | 2,488 | 28,235 |
| Accounts Payable and Accrued Expenses | 2,346 | 7,561 | 740 | (6,428) |
| Securities Sold Under Agreements to Repurchase | | | | (319,847) |
| Placement Fees Payable | (2,487) | (2,487) | | |
| Deferred Revenue | 253 | (478) | 1,344 | (1,875) |
| Payable to Members and Employees | 237 | (247) | (243 | |