



SHAREHOLDERS' EFFORTS IN VAIN

Shareholders withheld votes from directors of banks and other troubled firms in the year before they collapsed.

FOR IMMEDIATE RELEASE

Portland, Maine; February 23, 2009 – Thirteen directors of the largest troubled firms received a 13 percent or higher withhold vote from shareholders in the year prior to their firms' collapse, according to a new report from The Corporate Library, an independent corporate governance research and advisory firm. The highest of these was a more than 38 percent withhold vote received by Sir Winfried F.W. Bischoff at McGraw-Hill (S&P), who also served on the board of Citigroup.

The report also found an unusually high degree of over-boarding at the firms studied. Ric Marshall, The Corporate Library's Chief Analyst and author of the report, named nine directors who sat on more than four boards and eight directors who sat on the boards of more than one of the companies studied

"Eleven of these 17 companies had at least one over-boarded director, while six had more than one, and at Merrill Lynch there were five," said Mr. Marshall. "In comparison to the largest U.S. companies, these numbers are truly remarkable."

In addition, the report points out that The Corporate Library had assigned either a D or F rating to a majority of the largest troubled firms before they collapsed, underscoring the role of governance risk as a major contributing factor to their failure.

The full report, titled "Troubled Companies 2007-2008: Where Were the Boards?" is available for \$45 in The Corporate Library's online store at www.thecorporatelibrary.com.

###

About The Corporate Library

Now celebrating its tenth year, The Corporate Library is an independent research firm that provides corporate governance information products, research services and data to a broad variety of clients including institutional investors, corporations, D&O liability insurers, law firms, accounting firms, executive search firms, academic institutions and the media. The Corporate Library produces the definitive ratings of U.S. corporate boards of directors, allowing businesses that subscribe to the service to evaluate governance as an element of investment and other risk. The Corporate Library is also a leading publisher of corporate governance reports and studies, including reports on CEO employment contracts, governance practices, mutual fund proxy voting, and executive and director compensation, which its analysts compile using its extensive database of over 3,200 public companies and over 47,000 executives and directors. Additional information on The Corporate Library and its suite of online corporate governance data and analysis products can be found on its website at www.thecorporatelibrary.com.

Contact:

Cheri Grimmett
Media Relations, The Corporate Library
media@thecorporatelibrary.com
207 553-5604